

TO: All Hanford Site Employees
 SUBJECT: Hanford Site Savings Plan Adding Roth Deferral Option

Beginning Jan. 1, 2024, the Hanford Site Savings Plans (HSSP) will be adding a Roth deferral option. Participants will be able to choose which option(s) they want to contribute dollars to.

What is a Roth? In simple terms, Roth is a deferral option that allows HSSP participants to defer contributions into the plan on an after-tax basis and have that money grow tax-free into retirement.

Are there any compensation ceilings for using the Roth deferral? Unlike the Roth IRA, the Roth deferral option in the HSSP does not have any compensation ceilings. All participants may defer into the Roth option, but they are subject to the IRS annual plan limits.

What are the annual IRS plan limits for pre-tax and Roth deferrals? For 2024, all participants may defer up to a total of \$23,000 into the plan through these deferral types, and participants age 50 or older in 2024 can make an additional catch-up contribution up to \$7,500.

Are any deferral options going away? No. You will now have the option to defer on a pre-tax basis, Roth basis, and/or after-tax basis.

You may also defer into a combination of these options, subject to the IRS annual plan limits.

What is the difference between these options?

	Pre-Tax Deferral	Roth Deferral	After-Tax Deferral
What is it?	Participants defer money on a pre-tax basis. The money grows tax-deferred in your HSSP account.	Participants defer money on an after-tax basis. The money grows tax-free in your HSSP account.	Participants defer money on an after-tax basis. The money you contribute grows tax-free and any earnings grow tax-deferred in your HSSP account.
Is it subject to the annual limit of \$23,000 for 2024?	Yes, it is subject to the IRS contribution limit of \$23,000 for 2024. The limit is the total of all pre-tax and Roth deferrals combined.	Yes, it is subject to the IRS contribution limit of \$23,000 for 2024. The limit is the total of all pre-tax and Roth deferrals combined.	No, it is not subject to the IRS contribution limit of \$23,000 for 2024.
Can I defer any catch-up contributions once I'm age 50 or older?	Yes, you can contribute an additional \$7,500 if you are age 50 or older in 2024.	Yes, you can contribute an additional \$7,500 if you are age 50 or older in 2024.	No.

How do I change my deferral? You can change your deferral by visiting www.vanguard.com and logging into your personal account. Starting Dec. 22, 2023, the Roth option will be available through Vanguard.



What is the first paycheck any Roth deferral changes will take effect? The paycheck on Jan. 12, 2024 will be the first payroll for any Roth deferrals.

Questions? Please email hanfordsavings@rl.gov.

