



## Ohio DC's Roth 457 Option



### Roth 457

Ohio DC now offers a Roth 457 option for your employees. The Roth 457 option gives your employees the ability to contribute to post-tax accounts as well as traditional pre-tax accounts.

The key provisions and benefits regarding the Roth 457 option are:

- Contributions are taxable income in the calendar year contributed
- Distributions are tax-free if certain criteria are met (see details here)
- Combined contribution limits apply to both Pre-tax contributions and Roth Contributions

Employers may voluntarily offer the Roth 457 option to their employees by executing a new Employer Adoption Agreement Exhibit B, Payroll/Administrative Procedures, and fulfilling the related employer responsibilities outlined in the exhibit. Just return the completed and executed form. Employers who choose to offer the Roth 457 Option must execute an Adoption Agreement, Exhibit B, Payroll/Administrative Procedures form before employees can enroll in the Roth 457 option.

Upon receipt of the completed Exhibit B, Ohio DC will review, process, and countersign. We will forward you a copy of the signed document for your records and additional information regarding the Roth 457 option.

Employers will need to set-up a separate post-tax payroll deduction for Roth contributions.

Pre-tax deferrals and Roth contributions will be billed separately. Ohio DC will create a new bill code assigned to Roth contributions.

Pre-tax deferral and Roth contribution billings can be obtained and filed on the Ohio Business Gateway.

Thank you for helping your employees save for retirement. Please contact the Service Center at 877.644.6457 with any questions.

### Forms and Informational Materials

- Employer Adoption Agreement Exhibit B, Payroll/Administrative Procedures
- Ohio DC Roth Contributions