

Office of State Uniform Payroll
State of Louisiana
Division of Administration

JEFF LANDRY
GOVERNOR



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COMMISSIONER OF ADMINISTRATION

January 16, 2025

OFFICE OF STATE UNIFORM PAYROLL MEMORANDUM #2025-35

TO: LaGov HCM Paid Agency Human Resources
and Employee Administration Staff

FROM: Andrea P. Hubbard
Director

SUBJECT: IRC §457 and §403(b) Retirement Savings Contribution Limits for Calendar
Year 2025

For calendar year 2025, the limitations on contributions under §457(e)(15) of the Internal Revenue Code (LaGov HCM plans 457A, 457B, 457C, 457D, 457R, 457S and ROTH) and §403(b) of the IRS code (IT14 403(b) deductions) have changed. The plan limits for employees under the age of 50 have changed from \$23,000 to \$23,500 per year or 100% of includible compensation (gross wages paid minus deferred retirement contributions), whichever is less. The limit has increased from \$30,500 to \$31,000 for employees age 50 or over. The catch-up limit for the §457(e)(15) has changed from \$46,000 to \$47,000 per year. **New in 2025, there is a Secure 2.0 “Super Catch Up” of \$34,750 for employees ages 60, 61, 62 and 63.** Certain criteria must be met to be eligible for the special catch-up contribution provision. Other limits under §403(b) may apply based on certain allowable elections made by the employee. Refer to the employee application or contact the vendor to determine if an employee is exercising an allowable election.

Employees enrolled in LA Deferred Compensation in lieu of Social Security/Retirement (LaGov HCM Plan Code 457R) contribute 7.5% on compensation equal to the Social Security wage base limit. The wage base limit increased to \$176,100 for calendar year 2025. LaGov HCM will automatically stop deductions when this limit is reached. Refer to the [Deferred Compensation \(457R\) Plan in Lieu of Retirement procedure](#) for additional information on 457R Plan eligibility.

Note: Employees who are enrolled in both post-tax and pre-tax options (457R, 457S, and ROTH LaGov HCM plans) may contribute a total of \$23,500 combined. Employees who work in agencies where both the §457 and §403(b) plans are available may fully contribute up to the annual contribution limits in both plans. Employees may contact the LA Deferred Compensation Plan staff at 225.926.8082 extension “0” or toll free at 800.937.7604 or their respective §403(b) provider for more information.

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Agencies are responsible for monitoring employee contribution amounts throughout the year to avoid employees exceeding the annual limits. Refer to the [IRC §457 and §403\(b\) Voluntary Retirement Savings Contributions](#) procedure for more information.

Agencies should contact LA Deferred Compensation Plan staff on questions regarding §457 deductions and the special catch-up contribution provision. Agencies should contact the individual vendor on questions regarding §403(b) deductions. Agencies can also visit the IRS website (<http://www.irs.gov>) for more information about contributions and tax shelters. Direct all other questions to a member of the OSUP Wage and Tax Administration Unit at _DOA-OSUP-WTA@la.gov or (225):

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