Catch-Up Contributions

What are catch-up contributions?

“Catch-up contributions” are supplemental employee contributions that employees age 50 or older (or turning age 50 during the calendar year) can make to the TSP beyond the maximum amount they can contribute through regular contributions. You can choose to make catch-up contributions on a traditional (pre-tax) basis or a Roth (after-tax) basis. It does not matter what type of regular contributions you are making.

Who is eligible to make catch-up contributions?

To be eligible to make catch-up contributions, you must be:

- age 50 or older during the calendar year in which the catch-up contributions are made (even if you become age 50 on December 31 of that year);
- currently employed and in pay status; and
- making regular contributions to a civilian or uniformed services TSP account (or both), and/or an equivalent employer plan (such as a 401(k), 403(b), or 408(k)(6) plan) that will equal the maximum allowed by the Internal Revenue Code (IRC). The maximum allowed is subject to change every year. Visit tsp.gov for current limits.

You are not eligible to make catch-up contributions (or regular contributions) within 6 months of making a financial hardship withdrawal from the TSP.

How much can I contribute to the TSP?

Once you have determined you are eligible, you can make catch-up contributions up to the IRC catch-up contribution limit for the year. Visit tsp.gov for the current limit.

Because catch-up contributions are in addition to your regular contributions, they do not count against the IRC elective deferral limit or the total IRC annual addition limit for the year.

Catch-up contributions apply to the year during which you made them, even if they are posted to your account in the following year (i.e., your contributions for the last pay date in December may not be posted until January but will be counted toward the limit in December).

Will I receive any matching contributions on my catch-up contributions?

No. There are no matching contributions on catch-up contributions.

Can I make catch-up contributions from bonus pay?

No. Catch-up contributions can only be made from basic pay. Bonuses (or, if you are a member of the uniformed services, special pay or incentive pay) cannot be applied toward catch-up contributions.

How do I make catch-up contributions?

You can make catch-up contributions only through payroll deductions. To make catch-up contributions, you must submit a Catch-Up Contribution Election (Form TSP-1-C, or Form TSP-U-1-C for members of the uniformed services) to your agency or service. You must indicate the dollar amount you would like to contribute each pay period, and you must self-certify that you expect to contribute the maximum amount of regular contributions for the year. You can obtain Form TSP-1-C from your agency or Form TSP-U-1-C from your service. Both forms are also available from tsp.gov. If your agency or service uses an electronic version of the form (e.g., on Employee Express, LiteBlue, EBIS,
myPay, or the NFC PPS), you may be required to submit your election electronically. (Check with your agency or service for guidance.)

**When can I make a catch-up contribution election?**

You can make your election at any time. Your election will become effective the first full pay period after your agency or service receives it. The election will only be valid through the end of the calendar year in which it is made. This means that you will have to submit a new *Catch-Up Contribution Election* form each year. Your contributions will continue until the end of the calendar year unless you reach the annual catch-up contribution limit before that time or elect to stop making catch-up contributions.

**What happens to my catch-up contributions when the TSP receives them?**

When the TSP receives your catch-up contributions, it posts them to your account according to your most current contribution allocation (the TSP investment fund mix you have chosen for new contributions to your account). You cannot make a separate contribution allocation for catch-up contributions, or a separate contribution allocation for traditional (pre-tax) and Roth (after-tax) contributions. However, you may change your overall contribution allocation at any time at tsp.gov or over the telephone on the TSP ThriftLine (1-877-968-3778). Once your catch-up contributions are posted to your TSP account, they become part of your account balance and are subject to the same rules as any other employee contributions:

- You are immediately vested in them.
- An interfund transfer has the same effect on them as on the rest of the money in your account.
- They are available for loans and withdrawals.
- Spouses’ rights apply.

**Can I change or stop my catch-up contributions at any time?**

Yes. To change or stop making catch-up contributions, you simply submit another *Catch-Up Contribution Election* (Form TSP-l-C or Form TSP-U-1-C) to your agency or service or use your agency’s or service’s electronic version of the form. Once you stop catch-up contributions, they will not resume automatically. However, you can restart your contributions at any time by completing another *Catch-Up Contribution Election* form or by using your agency’s or service’s electronic version.

**How are these contributions reported to the IRS?**

Catch-up contributions are reported on your Form W-2, Wage and Tax Statement, where they are combined with your regular TSP contributions.

**Do special rules or conditions apply to uniformed services participants?**

Catch-up contributions made to a uniformed services account are subject to the same rules as catch-up contributions made to a civilian account. However, for a uniformed services account, certain special rules apply:

- You must use Form TSP-U-1-C (or its electronic equivalent) to initiate the contributions.
- You cannot use incentive or special pay (including bonus pay) to make catch-up contributions.
- If you are receiving tax-exempt pay while serving in a combat zone, your traditional (pre-tax) catch-up contributions will stop. Only Roth catch-up contributions are allowed from tax-exempt pay.
- If you have both civilian and uniformed services accounts and are contributing the maximum amount of regular contributions, you can also make catch-up contributions to both accounts. The total in catch-up contributions for the two accounts must not exceed the catch-up contribution limit for the year. If you exceed the maximum limit for catch-up contributions because you contributed too much to both accounts, the TSP will refund the excess amount, plus earnings, from your uniformed services account first, no later than April 15 of the following year.