

# After-Tax Contributions

and how they can supplement your retirement savings

**What you need to know:** after-tax allows you to boost your retirement savings by making post-tax contributions to your 401(k) above regular contribution limits

Once you make after-tax contributions to your 401(k), you can convert it to Roth, which lets you accumulate investment gains **tax-free!**

## The Technical Details

### **Total Annual Additions Limit** IRC §415(c)

The total amount of 401(k) contributions you and your employer can make in a single year. For 2025, the most that can be contributed to your 401(k) is \$70,000 (\$77,500 if you're ages 50-59 & 64+, or \$81,250 if ages 60-63).

### **Annual Contribution Limit** IRC §402(g)

The total amount of pre-tax and/or Roth money you can contribute to your 401(k) in single year. For 2025, the annual contribution limit is \$23,500 (\$31,000 if you are aged 50-59 & 64+, or \$34,750 if ages 60-63).

### **Available After-Tax Amount**

The after-tax amount you can put into the plan is calculated by subtracting the annual contribution limit, plus any employer matching contributions you receive, from the annual additions limit.

### **In-Plan Roth Conversion**

After-tax contributions to your 401(k) are taxed when you contribute. Investment gains and dividends on after-tax savings grow tax-deferred but are taxed when withdrawn. By converting your after-tax dollars to Roth inside the 401(k), any investment gains and dividends you receive post-conversion will be **tax free!**

To learn more, call a Fidelity Service Representative at 800-835-5095 or visit [www.netbenefits.com](http://www.netbenefits.com)

### **Additional amount available for after-tax**

$\$70,000 - \$29,500 = \$40,500$

Note: the payroll system caps the max at \$36,000, or \$32,500 for those with the grandfathered match

**\$36,000**

**Total in your 401(k)  
(with matching)**

**\$29,500**

Without after-tax contributions, **you have** to stop here

**\$70,000**

**Total Annual Contribution Limit  
(You + ER)**  
IRC §415(c)

**\$6,000\***

**Infoblox matching contribution**

**\$23,500**

**Annual Contribution Limit  
(You)**  
IRC §402(g)

\*You are matched \$1 for \$1 up to 3%.  
Example is based on a \$200,000 wage earner.  
You are grandfathered in at 50% up to 8% if 8+ years as of 12/31/2019.

This guide is intended to provide a basic overview of after-tax 401(k) contributions. Your contributions may be subject to additional conditions or limitations set by the plan or your recordkeeper. Make sure to consult your plan guidelines to determine if after-tax contributions are right for you. For questions or additional information, please contact your benefits team.

Newfront Retirement Services, Inc. is an investment adviser registered with the U.S. Securities and Exchange Commission. Registration as an investment adviser does not imply any level of skill or training, and does not constitute an endorsement by the SEC. For a copy of Newfront Retirement Services disclosure brochure, which includes a description of the firm's services and fees, please access [www.investor.gov](http://www.investor.gov).