



December 2025

RE: New Provisions Affecting RSVP and Lay DC Plans and what these changes may mean for you

Roth Catch-up Requirement for Higher Earners

Beginning January 1, 2026, if you are eligible to make catch-up contributions and your FICA wages reported on your 2025 Form W-2 (Box 3) are greater than \$150,000*, any catch-up contributions must be made on a Roth basis. For this purpose, the Form W-2 issued by the employer that has enrolled you in the Plan should be used. (If you have more than one employer that is making contributions to the Plans on your behalf, your wages from each employer are looked at separately to determine whether they exceed the applicable wage threshold. Your wages from multiple employers should not be aggregated—even if the employers are related and/or use a common paymaster.)

If you reach the normal IRS contribution limit for the year, the Plans will deem you to have elected to make your catch-up contributions on a Roth basis (with no action required on your part).

If you do not wish to make catch-up contributions on a Roth basis, you must contact Fidelity or log on to Fidelity's website at cpg.org/myaccount and change both your pre-tax and Roth contribution elections to 0% or \$0. Please be advised that any change to your contribution elections will become effective as soon as administratively practicable—even if you have not yet reached the normal contribution limit for the year—so make sure to monitor your ongoing contributions to the Plans to change your elections at the appropriate time. In addition, please make sure to timely notify your employer of any change to your contribution elections.

Additional Information

- Impacted participants can still contribute up to the normal contribution limit, which for 2026 is \$24,500, on a pre-tax and/or Roth basis.
- The catch-up contribution limit for those who will turn age 50 or older in 2026 is \$8,000. If you will attain age 60, 61, 62, or 63 during the calendar year, the catch-up limit for 2026 is \$11,250. Impacted participants must make catch-up contributions on a Roth basis.
- Generally, clergy are not subject to this Roth catch-up requirement because their wages are subject to SECA, not FICA, taxes.
- The Church Pension Fund will perform outreach in the first quarter of 2026 to institutions asking them to confirm which of their participants are subject to the Roth catch-up requirement for 2026.

Please see the [RSVP and Lay DC Plan Employee Guide](#) on cpg.org for information on the available contribution types and the 2026 IRS contribution limits.

** This wage threshold is indexed for inflation.*

In-Plan Roth Conversion Option

Beginning February 2, 2026, existing Plan balances in non-Roth accounts may be eligible to be converted to Roth, at your election, by doing an In-Plan Roth Conversion. The In-Plan Roth Conversion Option will enable you to enjoy the benefits of a Roth account by converting pre-tax, after-tax, and/or rollover amounts to Roth status. You also may convert employer contributions to Roth status.

Converting all or a portion of your account to Roth status will have the effect of turning your pre-tax balances into after-tax balances, thereby resulting in a taxable, deemed distribution to you in the tax year of the conversion (i.e., you will be required to pay income taxes on the portion of your Plan account converted to Roth status that has not already been taxed, but that balance will remain in the Plan).

Even though you may be personally responsible for paying income taxes on the amounts in your account that are taxable and converted to Roth status, a Roth conversion can be beneficial if you expect your income tax rate at the time of withdrawal in the future to be higher than at the time of conversion or if you convert after-tax contributions (which have already been taxed) to Roth status.

There is also the potential for federal income tax-free earnings and withdrawals from your Roth account balance when you retire, if your withdrawal is a qualified distribution. Learn more about qualified distributions from a Roth account in the [RSVP and Lay DC Plan Employee Guide](#).

The election to convert to Roth status is irrevocable and cannot be re-characterized or undone. You may make more than one election to convert balances from non-Roth accounts to Roth status in any given year.

Additional Information

- The decision to convert amounts to Roth status depends on a number of factors that should be weighed carefully. We encourage you to consult your tax and/or financial advisor before making this decision.
- You can sign up to have your after-tax contributions automatically convert to Roth status without calling Fidelity every time a conversion is desired.
- If you are interested in the In-Plan Roth Conversion Option, including the automatic conversion option, please contact Fidelity at 877-208-0092.

For More Information

Please see the [RSVP and Lay DC Plan Employee Guide](#). If you have questions, call Fidelity at 877-208-0092, Monday to Friday, 8:00 AM to 8:30 PM ET.

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