



Are Roth 401(k) contributions right for you?

When you make Roth 401(k) contributions, you pay the tax now, so you don't have to later.¹

Why you may want to consider making Roth 401(k) contributions?

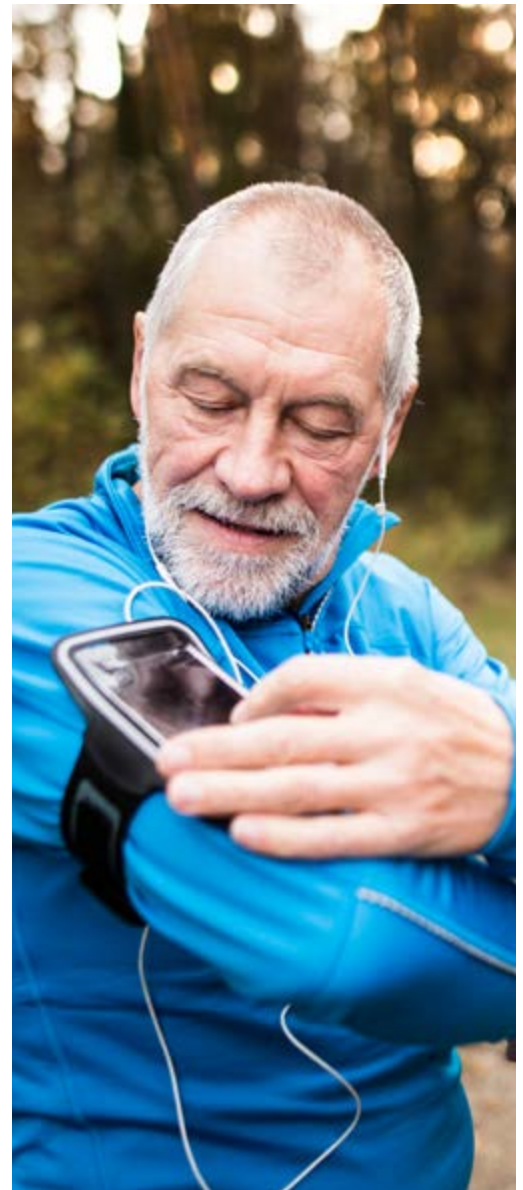
- If you expect your tax rate to be higher when you retire than it is now
- If you'd like to diversify the tax treatment of your money in retirement
- Unlike with a Roth IRA, there are no income restrictions to participate

Similar to pretax contributions, with Roth 401(k) contributions, you can:

- Contribute up to \$22,500 annually (maximum pretax, Roth, or a combination of both)²
- Save an additional \$7,500 in catch-up contributions, if you're age 50 or older by the end of the year²

Go to myplan.johnhancock.com to learn more about Roth 401(k) contributions or speak with your plan administrator.

¹ In this document, all tax disclosures regarding Roth 401(k) contributions are limited to the federal income-tax code, and, in particular, all references to tax-free treatment of qualified distributions are intended to refer to the treatment of such distributions at the federal level only. ² You can save an annual total of \$22,500 (or \$30,000, if you are age 50 or older) through pretax 401(k) contributions, Roth 401(k) contributions, or a combination of both. Annual contribution rates are based on the IRS 2023 retirement plan limitations and are subject to change.



Access your retirement plan on myplan.johnhancock.com or on John Hancock's retirement app.



Get the app

Your retirement plan contributions: how they differ

	401(k) pretax	Roth 401(k)³	Roth IRA	401(k) after tax³
Contribution type	Pretax	After tax	After tax	After tax
Employer match²²	Yes	Yes ⁴	Inapplicable	Yes
Contribution limits	\$22,500; \$30,000 for age 50+ ⁵	\$22,500; \$30,000 for age 50+ ⁵	\$6,500; \$7,500 for age 50+	Up to \$66,000 ⁶
Income restrictions	Inapplicable	Inapplicable	Based on modified adjusted gross income and filing status Single filers: \$138,000–\$153,000; Married filing jointly: \$218,000–\$228,000 ⁷ (Roth IRA conversions are no longer subject to income restrictions.)	Inapplicable
Investment earnings	Tax-deferred earnings	Tax-free earnings ⁸	Tax-free earnings ⁸	Tax-deferred earnings
Taxes	Pay taxes on contributions and earnings at time of distribution; reduces current tax liability	Pay taxes on contributions prior to deposit; earnings distributed tax free for qualified distributions	Pay taxes on contributions prior to deposit; earnings distributed tax free for qualified distributions	Pay taxes on contributions prior to deposit; pay taxes on earnings at time of distribution
Access to money during employment	Loans and in-service withdrawals may be available ³	Loans and in-service withdrawals may be available ³	Special withdrawal rules apply to Roth IRAs	Loans and in-service withdrawals may be available ³
Distributions	Contributions and earnings are taxed at distribution; federal, state, and local income tax may apply; penalty of 10% for distributions prior to age 59½ may apply	Tax free, if qualified distribution A qualified distribution must meet two conditions: 1 Made after attainment of age 59½, death, or becoming totally disabled and 2 Roth 401(k) account must be in existence for five years beginning with first taxable year a Roth 401(k) contribution was made ¹⁴	Tax free, if qualified distribution A qualified distribution must meet two conditions: 1 Made after attainment of age 59½, death, becoming totally disabled, or being first time home buyer (\$10,000 lifetime limit) and 2 Roth IRA account must be in existence for five years beginning with first taxable year a Roth IRA contribution was made ¹⁴	Distribution of contributions is tax free; earnings are taxed at distribution; federal, state, and local income tax may apply; penalty of 10% may apply to distribution of earnings prior to age 59½
Required minimum distributions	In general, annually starting with the year you reach age 72, ⁹ or if later, the year in which you retire—unless a 5% owner	In general, annually starting with the year you reach age 72, ⁹ or if later, the year in which you retire—unless a 5% owner	Inapplicable, except for distributions made following death of the Roth IRA account holder	In general, annually starting with the year you reach age 72, ⁹ or if later, the year in which you retire—unless a 5% owner
Rollovers	Can be rolled over into another qualified retirement plan, in-plan Roth rollover, ³ or into a traditional IRA or Roth IRA ¹⁰	Can be rolled over to another Roth 401(k) account ^{3,11} or a Roth IRA	Can only be rolled over to another Roth IRA ¹²	Can be rolled over into another qualified retirement plan, in-plan Roth rollover, ³ or into a traditional IRA or Roth IRA ¹³

3 If the plan allows. **4** Employer match of a Roth 401(k) contribution is made on a pretax basis, so you will owe taxes on those contributions and earnings when distributed from the plan. They will be held separately from your Roth 401(k) contributions. **5** Total annual contribution through traditional pretax contributions, Roth 401(k) contributions, or a combination of both. **6** Annual contributions to all of your accounts include elective deferrals, employee contributions, and employer matching, discretionary, and forfeiture account contributions. **7** You are allowed a prorated contribution if your income falls within the phase-out range shown. If your income exceeds the income range, you will not be eligible to make a Roth IRA contribution. **8** Based on qualified distribution rules. **9** For individuals who attain age 70½ after 12/31/20. **10** Must be included in income. **11** Any nontaxable amounts require direct rollover. **12** Only one rollover in any 12-month period. **13** Taxable amount must be included in income. **14** A qualified distribution from a designated Roth account in the plan is a payment made after the participant attains age 59½ (or after death or disability) and after the designated Roth account in the plan has been established for at least five years. In general, in applying the five-year rule, count from January 1 of the year the first contribution was made to the designated Roth account. Participants should contact their plan consultant or financial or tax advisor for specific details on the five-year rule and whether any special rule may apply.



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There are advantages and disadvantages to all rollover options. You are encouraged to review your options to determine if staying in a retirement plan, rolling over to an IRA, or another option is best for you.

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