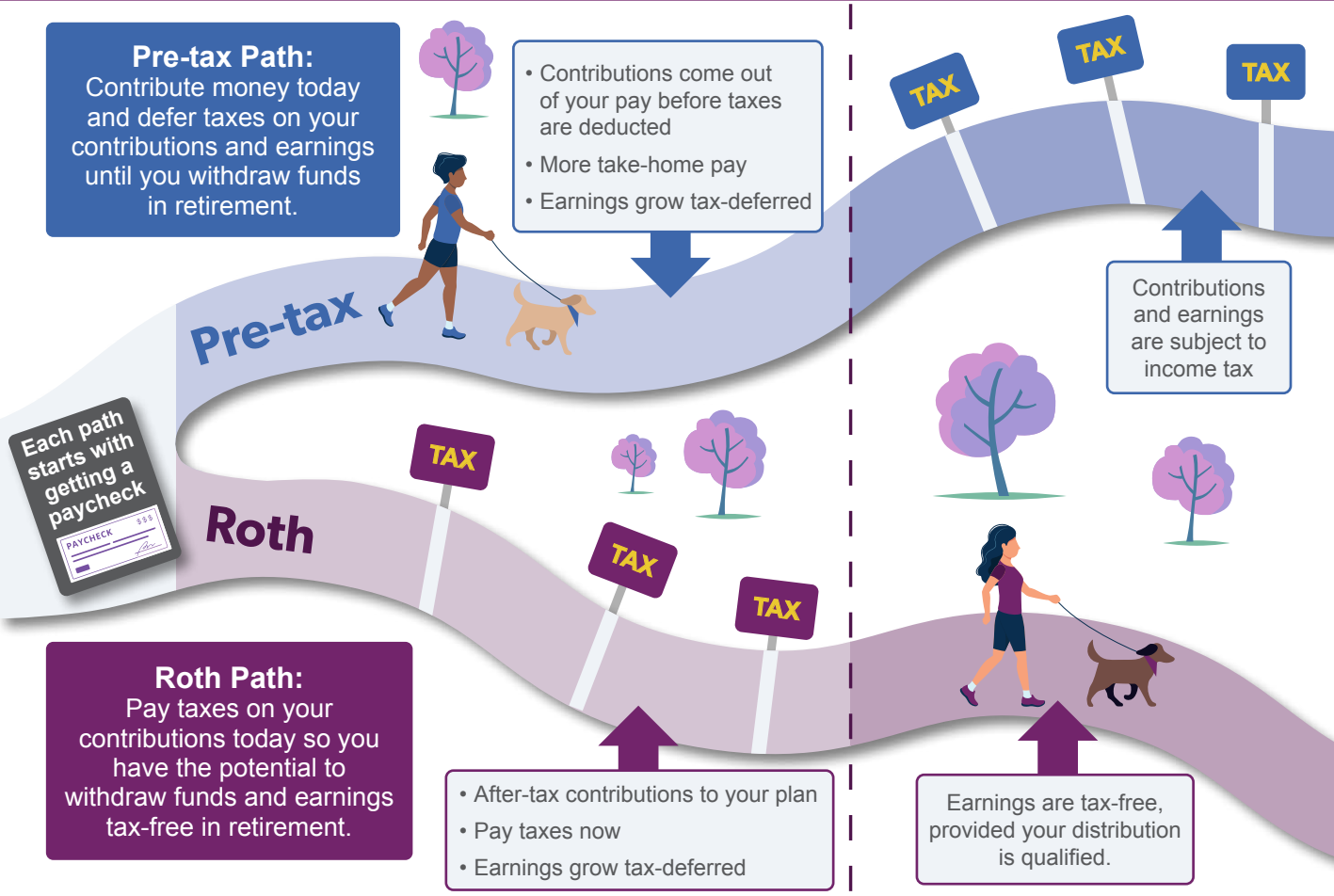
Pre-tax or Roth: Which path to take?

As a Cast Member or employee of Disney, you may have the opportunity to contribute to a 401(k) plan.* You decide how much you want to contribute to the Plan and if you want to make pre-tax or Roth contributions. Learn more to make the decision that is right for you.

CONTRIBUTION PHASE

WITHDRAWAL PHASE



Pre-tax Path Example:

For example, if you earn $50,000 annually and contribute 10% of your income pre-tax, that's $5,000. Your pre-tax income is now $45,000 instead of $50,000, and you will be taxed on that figure. That $5,000 will go into your workplace saving plan account and grow tax-deferred. You will be taxed on any distributions you take in retirement based on the tax bracket you are in at the time.

Roth** Path Example:

For example, if you earn $50,000 annually and contribute 10% of your income using a Roth contribution, that's $5,000 (similar to the previous example). You will still be taxed on your $50,000 salary. However, the $5,000 contribution will come from your net (after-tax), take-home pay, unlike the pre-tax contributions that lowered your taxable income to $45,000 in the previous example. That $5,000 is invested in your workplace savings plan account and will grow tax-free provided your distribution is qualified.

HOW DO I MAKE CHANGES?

Making changes to your contribution election(s) is easy. Visit the contribution page on **www.netbenefits.com** or call **1-800-354-3970**.

Your Contributions

Pre-tax Contributions	Roth Contributions

CONTRIBUTION AMOUNT (Pre-tax and Roth)

Up to 50% of your eligible compensation.

Up to 75% of your eligible compensation if you are at least age 50 at the end of the calendar year.

2026 IRS LIMITS ON CONTRIBUTIONS (Pre-tax and Roth)

Your pre-tax and Roth contributions combined are limited to $24,500 ($32,500 if you are at least age 50 at the end of the calendar year).

HIGHER CATCH-UP LIMITS FOR AGES 60–63

The IRS will raise the catch-up contribution limit to its highest level for individuals aged 60 to 63. In 2026, the maximum catch-up contribution will be $11,250* — giving you more opportunity to boost your retirement savings.

ROTH CATCH-UP CONTRIBUTIONS

If 50 or older in 2026 and in 2025 you earned more than $150,000⁺ in FICA^ wages, your catch-up dollars must go into Roth.

COMPANY MATCHING CONTRIBUTIONS (Pre-tax and Roth)

You may be eligible for a company matching contribution depending on your job location and status.

TAXES ON CONTRIBUTIONS

Pre-tax Contributions	Roth Contributions
Contributions are not taxed when deducted from your paycheck.	Contributions are taxed when deducted from your paycheck.

TAXES ON WITHDRAWALS

Pre-tax Contributions	Roth Contributions
Contributions and any related earnings are taxed at withdrawal and may be subject to an early withdrawal penalty if taken before age 59½.	Earnings are tax-free for qualified withdrawals — generally at least five years from the first day of the calendar year in which you made your first Roth contribution or Roth in-plan conversion ("first Roth dollar") and after you reach age 59½, or are disabled or deceased.

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QUESTIONS?

You can call the Disney Benefits Center toll-free at **1-800-354-3970**. Representatives are available Monday through Friday, from 8:30 a.m. to 8:30 p.m. ET (5:30 a.m. to 5:30 p.m. PT).

¿Habla español? Si usted tiene alguna pregunta sobre esta información, favor de llamar al Disney Benefits Center al **1-800-354-3970**.

Èske ou pale kreyòl ayisyen? Si ou genyen nenpòt kesyon sou enfòmasyon sa a, tanpri rele Disney Benefits Center nan **1-866-686-6783** epi peze 1.

Bạn có nói tiếng Việt không? Nếu bạn có bất cứ thắc mắc nào về thông tin này, vui lòng gọi Disney Benefits Center theo số **1-866-686-6783** và bấm số 2.

* Depending on your job location and status, you may be able to participate in a 401(k) Plan. The legal names of the plans are the Disney Savings and Investment Plan, Disney Hourly Savings and Investment Plan, or the 21st Century Fox America Consolidated Savings Plan.

**A distribution from a Roth 401(k) is federal tax free and penalty free, provided the five-year aging requirement has been satisfied and one of the following conditions has been met: age 59½, disability, or death.

⁺ Indexed annually.

^ For this purpose, wages are those as defined in Section 3121(a) of the Internal Revenue Code, which are wages subject to FICA (Form W-2 Box 3 wages for Social Security taxation purposes). The final regulations allow employers the flexibility to also use FICA (Form W-2 Box 5 wages for Medicare) for the 2026 tax year.

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