INTEL EMPLOYEE PLANNING SERIES

The Intel 401(k) Decision

How to coordinate the 5% match, pre-tax, Roth, voluntary after-tax, and Intel Stock Fund choices

The Intel 401(k) is not one election. It is a set of connected decisions about savings, taxes, the company match, voluntary after-tax contributions, Roth conversion, and Intel stock. The objective is to give every dollar a purpose before payroll timing or market movement makes the decision for you.

CAPTURE THE FULL MATCH For payroll periods after 2024, Intel's public plan filing describes a dollar-for-dollar match on eligible deferrals up to 5% of eligible compensation, plus an annual true-up. Set the payroll election intentionally and verify the current eligible-pay definition.

CHOOSE THE TAX BUCKET Pre-tax contributions may reduce current taxable income; Roth contributions use after-tax pay and may provide tax-free qualified distributions. The right mix depends on today's tax exposure, expected future taxes, and the value of tax diversification.

USE VOLUNTARY AFTER-TAX DELIBERATELY Intel's filing permits a combination of pre-tax, Roth, and voluntary after-tax deferrals up to 50% of eligible compensation, subject to IRS and plan limits. Verify your after-tax cap and Roth-conversion settings before relying on a mega backdoor Roth strategy.

Build the Contribution Strategy

Begin with a contribution hierarchy. First, contribute enough through pre-tax and/or Roth deferrals to capture the full Intel match. Next, decide how to divide the annual elective-deferral limit between current tax relief and future tax-free income. If cash flow still permits, calculate voluntary after-tax room under the annual-additions limit and verify any available in-plan conversion feature. Then invest every source as part of one retirement portfolio.

2026 LIMITS THAT CHANGE THE CALCULATION

BASE ELECTIVE DEFERRAL $24,500 is the combined 2026 limit for employee pre-tax and designated Roth 401(k) deferrals. Using both does not create two separate limits.

AGE 50+ (EXCEPT AGES 60 THROUGH 63) The regular 2026 catch-up limit is $8,000, allowing total employee deferrals of up to $32,500 when the plan and compensation permit.

AGES 60 THROUGH 63 The higher 2026 catch-up limit is $11,250, allowing total employee deferrals of up to $35,750 for participants who reach one of those ages during 2026.

ROTH CATCH-UP RULE If 2025 FICA wages from Intel exceeded $150,000, 2026 catch-up contributions generally must be designated Roth contributions. Confirm implementation through Intel payroll and Fidelity before relying on the election.

PRE-TAX, ROTH, AND AFTER-TAX ARE DIFFERENT SOURCES

PRE-TAX Creates a current income-tax deferral and generally taxable retirement distributions. It can be useful when current marginal rates are high, but it also adds to future taxable income.

ROTH Uses after-tax dollars today. Qualified distributions may be tax-free, which can provide future flexibility when coordinated with pensions, Social Security, SERPLUS, and required distributions from other accounts.

VOLUNTARY AFTER-TAX Does not reduce current taxable income and is not itself a designated Roth contribution. It counts with employee deferrals, Intel match, and other annual additions toward the $72,000 2026 annual-additions limit; catch-up contributions are generally outside that limit.

VERIFY THE CONVERSION WORKFLOW

Intel's public Form 11-K confirms voluntary after-tax contributions, but it does not describe an automatic in-plan Roth conversion. If Fidelity NetBenefits displays that feature, confirm that it is available for your account, affirmatively activated, and converting at the expected frequency. After-tax principal can generally convert without a second income-tax cost, while earnings accumulated before conversion may be taxable. Different rules apply to a conversion of pre-tax dollars.

COORDINATE WITH INTEL COMPENSATION

A pre-tax versus Roth decision should be revisited after estimating salary, quarterly or annual bonus income, RSU or PSU settlement, option exercises, ESPP cash flow, and SERPLUS elections. A year with unusually high compensation may make current tax deferral more valuable; a lower-income year may make Roth funding more attractive. Neither conclusion should be automatic, and payroll withholding should be reviewed at the same time.

Protect the Strategy

A strong contribution election can still be weakened by an uncoordinated investment, loan, withdrawal, annuity, or rollover decision. Review the entire account - by contribution source, investment, vesting status, and tax basis - before making a transaction that may be difficult to reverse.

INVEST EVERY SOURCE AS ONE PORTFOLIO Review the core investment lineup, the self-directed brokerage account, and the Intel Stock Fund together. More investment choices do not replace a deliberate asset allocation, rebalancing policy, or review of fees and risk.

MEASURE INTEL STOCK EVERYWHERE Intel's public filing states that participants may not elect to invest more than 20% of their account in the Intel Stock Fund. This is a plan guardrail, not a personalized concentration target. Include ESPP shares, vested and unvested awards, options, future grants, career income, and SERPLUS credit exposure in the review.

SEPARATE CURRENT MATCH FROM LEGACY SOURCES Employee deferrals and current Intel matching contributions are immediately vested. A legacy Discretionary Intel Contribution Account may follow a two-to-six-year graded schedule, with acceleration in specified events. Verify every source before an employment or rollover decision.

PAUSE BEFORE A LOAN, WITHDRAWAL, ANNUITY, OR ROLLOVER These transactions can change taxes, liquidity, investment exposure, and future options. If the account holds materially appreciated Intel shares, complete a net unrealized appreciation (NUA) review before selling the shares inside the plan or rolling them to an IRA. NUA can provide special tax treatment for qualifying employer shares, but the plan, tax, and execution requirements are exacting.

> **Planning principle:** The best 401(k) strategy is not a single election. It is the coordination of every contribution source with the same tax and retirement plan.

QUESTIONS TO RESOLVE BEFORE YOU ACT

HOW MUCH OF THE MATCH AM I CAPTURING? Review the election across regular pay and other eligible compensation, and confirm the current annual true-up rather than assuming payroll timing will correct itself.

WHICH TAX SOURCES DO I WANT? Choose the pre-tax, Roth, and voluntary after-tax mix after considering current taxes, future income, cash flow, and the rest of the household balance sheet.

IS CONVERSION AVAILABLE AND ACTIVE? Verify the feature, activation date, conversion frequency, taxable earnings, and source-level reporting directly in current Fidelity NetBenefits materials.

DO INTEL SHARES CHANGE THE DECISION? Obtain market value and cost basis by contribution source before selling, rolling over, or changing an after-tax conversion election when an NUA strategy may be relevant.

Educational overview. Current plan documents, the Summary Plan Description, Fidelity NetBenefits instructions, payroll records, and professional tax advice control. Sources: Intel 401(k) Savings Plan Form 11-K for the year ended December 31, 2025; IRS Notice 2025-67; IRS Retirement Topics - Catch-up Contributions; IRS Designated Roth Account guidance; and IRS Publication 575. Intel Corporation is not affiliated with Oswego Legacy Partners or Prudential. Reviewed August 2026.