

IRS SETS 2018 IRA AND 401(k) LIMITS

The Internal Revenue Service has announced the following retirement plan contribution limits for the 2018 tax year.

IRA CONTRIBUTIONS

- Roth: stayed the same at \$5,500
- Traditional: stayed the same at \$5,500
- Catch-up: stayed the same at \$1,000

401(k) CONTRIBUTIONS

- \$18,500 (increased)
- Catch-up contributions stayed the same at \$6,000

TRADITIONAL IRA DEDUCTIBILITY PHASEOUT

	MAGI range
Single filers covered by employer plan (increased)	\$63,000–\$73,000
Married couples filing jointly, contributor covered by employer plan (increased)	\$101,000–\$121,000
Joint filers with spouse covered by employer plan (increased)	\$189,000–\$199,000

ROTH IRA ELIGIBILITY PHASEOUT

	MAGI range
Single filers (increased)	\$120,000–\$135,000
Married couples filing jointly (increased)	\$189,000–\$199,000

SEP IRA CONTRIBUTIONS

- Company may contribute up to 25% of compensation or \$55,000 whichever is less (increased)

SIMPLE IRA CONTRIBUTIONS

- Salary deferral stayed the same at \$12,500
- Catch up: stayed the same at \$3,000

Source: irs.gov.

Contact your financial advisor if you have questions on these limits or are considering making any changes to an existing IRA or 401(k).

The investments you choose should correspond to your financial needs, goals, and risk tolerance. For assistance in determining your financial situation, consult an investment professional.

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