

## IRS SETS 2020 IRA AND 401(k) LIMITS

The Internal Revenue Service has announced the following retirement plan contribution limits for the 2020 tax year.

### IRA CONTRIBUTIONS

- Roth: stayed the same at \$6,000
- Traditional: stayed the same at \$6,000
- Catch-up: stayed the same at \$1,000

### 401(k) CONTRIBUTIONS

- \$19,500 (increased)
- Catch-up: \$6,500 (increased)

### TRADITIONAL IRA DEDUCTIBILITY PHASEOUT

	<b>Modified Adjusted Gross Income range</b>
Single filers covered by employer plan (increased)	\$65,000 to \$75,000
Married couples filing jointly, contributor covered by employer plan (increased)	\$104,000 to \$124,000
Joint filers with spouse covered by employer plan (increased)	\$196,000 and \$206,000

### ROTH IRA ELIGIBILITY PHASEOUT

	<b>Modified Adjusted Gross Income range</b>
Single filers (increased)	\$124,000 to \$139,000
Married couples filing jointly (increased)	\$196,000 to \$206,000

### SEP IRA CONTRIBUTIONS

- Company may contribute up to 25% of compensation or \$57,000 whichever is less (increased)

### SIMPLE IRA CONTRIBUTIONS

- Salary deferral: \$13,500 (increased)
- 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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