

# Contribution limits and tax reference

## Tax-advantaged accounts

### Traditional IRA

**Under age 50:** \$6,000      **Age 50 and above:** \$7,000\*

#### Phase-out ranges for IRA contribution deductibility for individuals covered by an employer plan:

Married, filing jointly or qualifying widow(er)      \$109,000 – \$129,000 MAGI†

Married, filing separately      \$0 – \$10,000 MAGI

Single or head of household      \$68,000 – \$78,000 MAGI

*Full deduction is permitted below phase-out range, scaled partial deduction is permitted within range and no deduction is permitted above range.*

Taxpayers can instruct the IRS to directly deposit their tax refund into their IRA. Current contribution limits apply.

### Roth IRA

**Under age 50:** \$6,000      **Age 50 and above:** \$7,000\*

#### Phase-out ranges for Roth contribution eligibility:

Married, filing jointly      \$204,000 – \$214,000 MAGI

Married, filing separately      \$0 – \$10,000 MAGI

Single or head of household      \$129,000 – \$144,000 MAGI

*Full contribution is permitted below phase-out range, scaled partial contribution is permitted within range and no contribution is permitted above range.*

### SEP IRA

- Up to the lesser of \$61,000 or 25% of eligible compensation with a \$305,000 compensation cap per employee.
- Minimum of \$600 in compensation required to participate in SEP.

### SIMPLE IRA

**Under age 50:** \$14,000      **Age 50 and above:** \$17,000†

### 401(k), 403(b), 457<sup>§</sup>, SARSEP

**Under age 50:** \$20,500      **Age 50 and above:** \$27,000<sup>||</sup>

### Uni-k Plans

**Under age 50:** \$20,500      **Age 50 and above:** \$27,000<sup>||</sup>

Plus an additional 25% of income as defined by the plan, or approximately 20% of your self-employment income. Total contributions to a participant's account, not counting catch-up contributions for those age 50 and over, cannot exceed \$61,000.

### Defined benefit plan

\$245,000

*For a participant who separated from service before January 1, 2022, the limitation for defined benefit plans under Section 415(b)(1)(B) is computed by multiplying the participant's compensation limitation, as adjusted through 2021, by 1.0534.*

## Education accounts

### 529 college savings account

No age or income restrictions for contributions or beneficiaries.

	Annual gift tax exclusion amount# per beneficiary	Five-year accelerated gifting amount** per beneficiary
Single	\$16,000	\$80,000
Married, filing jointly	\$32,000	\$160,000

*Check with your 529 plan on maximum aggregate limits.*

*Tax-free withdrawals for qualified higher-education expenses; for up to \$10,000 in tuition expenses (per student per year) at elementary or secondary public, private or parochial schools; for fees, books and supplies for a registered apprenticeship program; and for repaying up to \$10,000 in qualified education loans. The earnings portion of withdrawals used for non-qualified expenses are subject to federal income taxes plus an additional 10% tax penalty and may be subject to state income or other taxes.*

### Coverdell education savings account

Beneficiaries under age 18 and special-need beneficiaries of any age: \$2,000

#### Phase-out ranges:

Single      \$95,000 – \$110,000 MAGI  
Married, filing jointly      \$190,000 – \$220,000 MAGI

\* Includes \$1,000 "catch-up." † Modified adjusted gross income (MAGI) is found by taking adjusted gross income (AGI) and adding back certain items such as foreign income, foreign-housing deductions, student-loan deductions, IRA-contribution deductions and deductions for higher-education costs. ‡ Includes \$3,000 "catch-up." § If the plan provides, a special "catch-up" limit may apply. || Includes \$6,500 "catch-up." # Contributions are completed gifts subject to the annual gift-tax exclusion and are removed from the contributor's federal estate. Any contributions above this amount will apply against the lifetime gift tax exemption. \*\* Under a special rule, contributions of \$80,000 (\$160,000 for married, filing jointly) can be made in one year and prorated over a five-year period without incurring gift taxes or reducing your unified estate and gift tax credit. If the contributor dies before the five-year prorating period expires, the contributions allocated to the remaining years move back into the contributor's taxable estate. Any appreciation on the entire original gift is not considered part of the estate.

## Federal tax brackets

Married, filing jointly (and surviving spouses)	
Taxable income	Tax rate
\$0–\$20,550	10% of the taxable income
\$20,550–\$83,550	\$2,055 plus 12% of the excess over \$20,550
\$83,550–\$178,150	\$9,615 plus 22% of the excess over \$83,550
\$178,150–\$340,100	\$30,427 plus 24% of the excess over \$178,150
\$340,100–\$431,900	\$69,295 plus 32% of the excess over \$340,100
\$431,900–\$647,850	\$98,671 plus 35% of the excess over \$431,900
Over \$647,850	\$174,253.50 plus 37% of the excess over \$647,850

Married, filing separate returns	
Taxable income	Tax rate
\$0–\$10,275	10% of the taxable income
\$10,275–\$41,775	\$1,027.50 plus 12% of the excess over \$10,275
\$41,775–\$89,075	\$4,807.50 plus 22% of the excess over \$41,775
\$89,075–\$170,050	\$15,213.50 plus 24% of the excess over \$89,075
\$170,050–\$215,950	\$34,647.50 plus 32% of the excess over \$170,050
\$215,950–\$323,925	\$49,335.50 plus 35% of the excess over \$215,950
Over \$323,925	\$87,126.75 plus 37% of the excess over \$323,925

Single (other than surviving spouses and heads of households)	
Taxable income	Tax rate
\$0–\$10,275	10% of the taxable income
\$10,275–\$41,775	\$1,027.50 plus 12% of the excess over \$10,275
\$41,775–\$89,075	\$4,807.50 plus 22% of the excess over \$41,775
\$89,075–\$170,050	\$15,213.50 plus 24% of the excess over \$89,075
\$170,050–\$215,950	\$34,647.50 plus 32% of the excess over \$170,050
\$215,950–\$539,900	\$49,335.50 plus 35% of the excess over \$215,950
Over \$539,900	\$162,718 plus 37% of the excess over \$539,900

Head of household	
Taxable income	Tax rate
\$0–\$14,650	10% of the taxable income
\$14,650–\$55,900	\$1,465 plus 12% of the excess over \$14,650
\$55,900–\$89,050	\$6,415 plus 22% of the excess over \$55,900
\$89,050–\$170,050	\$13,708 plus 24% of the excess over \$89,050
\$170,050–\$215,950	\$33,148 plus 32% of the excess over \$170,050
\$215,950–\$539,900	\$47,836 plus 35% of the excess over \$215,950
Over \$539,900	\$161,218.50 plus 37% of the excess over \$539,900

Estates and trusts	
Taxable income	Tax rate
\$0–\$2,750	10% of the taxable income
\$2,750–\$9,850	\$275 plus 24% of the excess over \$2,750
\$9,850–\$13,450	\$1,979 plus 35% of the excess over \$9,850
Over \$13,450	\$3,239 plus 37% of the excess over \$13,450

Long-term capital gains rate			
	0%	15%	20%
Married, filing jointly	\$0–\$83,350	\$83,350–\$517,200	Over \$517,200
Married, filing separately	\$0–\$41,675	\$41,675–\$258,600	Over \$258,600
Single	\$0–\$41,675	\$41,675–\$459,750	Over \$459,750
Head of household	\$0–\$55,800	\$55,800–\$488,500	Over \$488,500
Estates and trusts	\$0–\$2,800	\$2,800–\$13,700	Over \$13,700

Gift tax exclusions	
Annual exclusion	\$16,000
Lifetime exemption	\$12.06 million

Standard deductions*	
Married, filing jointly	\$25,900
Married, filing separately	\$12,950
Single	\$12,950
Head of household	\$19,400

Source: Internal Revenue Service. \*The additional standard deduction amount for the aged or the blind is \$1,400. These amounts are increased to \$1,750 if the individual is also unmarried and not a surviving spouse.

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