



## Tax-Deferred and Tax-Exempt Plan Contribution Limits for 2023 and 2024

While the rate of inflation may be moderating, it is still causing multiple changes in everything from Social Security and benefit programs to retirement plans, income tax brackets and estate tax exemptions. The Individual Retirement Account (IRA) was pegged to inflation in 2001. Effective 2024, the contribution limit is \$7,000, with an annual \$1,000 catch up contribution for individuals over 55. As a result of inflation, the income ranges for determining eligibility to make deductible contributions to traditional Individual Retirement Accounts and to contribute to Roth IRAs all increased for 2024.\*

Type of Retirement Plan	Maximum Annual Contributions			
	2023		2024	
	Under Age 50	50 and Older	Under Age 50	50 and Older**
<b>Individual Retirement Plans*</b>				
Traditional, Non-Deductible and Roth IRA	\$6,500	\$7,500	\$7,000	\$8,000
<b>Employer-Sponsored Retirement Plans</b>				
401(k), Roth 401(k), 403(b), 457 and SARSEP Plans – Employee contribution	\$22,500	\$30,000	\$23,000	\$30,500
SEP (Simplified Employee Pension) IRA***	Employer contribution - 25% of compensation up to \$66,000		Employer contribution - 25% of compensation up to \$69,000	
<b>Small Business or Self-Employed Retirement Plans</b>				
Self-Employed 401k (a.k.a., Solo-401k, Individual 401k, Roth 401k)	Non-Elective business contributions up to 25% of compensation			
	Elective deferrals up to 100% of compensation with annual limit of \$22,500 plus catch-up contribution of \$7,500 if over 50		Elective deferrals up to 100% of compensation with annual limit of \$23,000 plus catch-up contribution of \$7,500 if over 50	
	up to a combined maximum of \$66,000 (\$73,500 over 50)		up to a combined maximum of \$69,000 (\$76,500 over 50)	
SIMPLE (Savings Incentive Match Plan for Employees) IRA - Employee contribution	\$15,500	\$19,000	\$16,000	\$19,500

\* The 2024 income phase-out range for taxpayers making contributions to a Roth IRA is increased to between \$146,000 and \$161,000 for singles and heads of household, up from between \$138,000 and \$153,000 in 2023. For married couples filing jointly, the 2024 income phase-out range is increased to between \$230,000 and \$240,000, up from between \$218,000 and \$228,000 in 2023. The ability to make tax-deductible contributions to a traditional IRA while participating in a workplace retirement account is also subject to income limits that vary based on filing status and participating or non-participating spouse. Make certain you review and understand income limitations prior to making contributions.

**For assistance managing your retirement accounts, contact Tango Capital Management:  
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