

# 2017/2018 dollar limitations for retirement plans



Wealth  
Management

Some new limitations will apply to retirement plans and other benefit plans in 2018 as a result of cost-of-living adjustments made by the IRS and the Social Security Administration. The limits for 2018, as well as the 2017 limits, are as follows:

Account Types		2017 Limit	2018 Limit
<b>IRA</b>	Traditional and Roth IRA contribution limit	\$5,500	\$5,500
	Catch-up limit for individuals age 50 and older	\$1,000	\$1,000
<b>SIMPLE IRA</b>	Elective deferral limit	\$12,500	\$12,500
	Catch-up limit for individuals age 50 and older	\$3,000	\$3,000
	Maximum employer match (\$1 for \$1 match on the first 3% of employee compensation deferred).	\$12,500	\$12,500
	Maximum employer non-elective contribution (2% of employee's compensation, up to \$270K in 2017 and \$275K in 2018)	\$5,400	\$5,500
	Catch-up deferral is also matched by employer if individual is age 50 or older.	\$3,000	\$3,000
<b>SEP IRA</b>	Maximum SEP contribution	\$54,000	\$55,000
	SEP compensation exclusion	\$600	\$600
<b>401(k), SARSEP, 403(b) and Governmental 457(b)</b>	Elective deferral limit	\$18,000	\$18,500
	Catch-up limit for individuals age 50 and older	\$6,000	\$6,000
<b>Profit Sharing, 401(k) and Money Purchase Pension</b>	Defined contribution limit (415(c) limit)	\$54,000	\$55,000
<b>Profit Sharing, 401(k), SEP and Money Purchase Pension</b>	Employee annual compensation limit	\$270,000	\$275,000
<b>401(k), SARSEP, 403(b) and Governmental 457(b)</b>	Highly compensated employee limit (no requirement for 5% owner)	\$120,000	\$120,000
<b>Profit Sharing, 401(k) and Money Purchase Pension</b>	Top-heavy plan key employee compensation limit	\$175,000	\$175,000
<b>Defined Benefit</b>	Maximum annual benefit at retirement	\$215,000	\$220,000

Non-deposit investment products: • Not FDIC insured • Not bank guaranteed • May lose value

<b>Modified Adjusted Gross Income (MAGI) phase-out ranges for traditional IRA deduction when taxpayer is covered by a retirement plan at work</b>			
<b>Filing status</b>		<b>2017</b>	<b>2018</b>
<b>Single or head of household</b>		\$62,000-\$72,000	\$63,000-\$73,000
<b>Married filing jointly</b>		\$99,000-\$119,000	\$101,000-\$121,000
<b>Married filing jointly for non-covered spouse with a spouse who is an active participant</b>		\$186,000-\$196,000	\$189,000-\$199,000
<b>MAGI phase-out ranges for Roth IRA annual contributions</b>			
<b>Filing status</b>		<b>2017</b>	<b>2018</b>
<b>Single or head of household</b>		\$118,000-\$133,000	\$120,000-\$135,000
<b>Married filing jointly</b>		\$186,000-\$196,000	\$189,000-\$199,000
<b>Social Security</b>			
		<b>2017</b>	<b>2018</b>
<b>Social security taxable wage base</b>		\$127,200	\$128,700
<b>Maximum earnings for individuals under normal retirement age before Social Security benefits are reduced. One dollar in benefits will be withheld for every \$2 in earnings above the limit.</b>		\$16,920 (\$1,410/mo)	\$17,040 (\$1,420/mo)
<b>Maximum Social Security benefit at social security full retirement age</b>		\$2,687	\$2,788
<b>529/Gift Tax Exclusion</b>			
<b>Filing status</b>		<b>2017</b>	<b>2018</b>
<b>Single or head of household</b>		\$14,000	\$15,000
<b>Married filing jointly</b>		\$28,000	\$30,000
<b>Health Savings Accounts (HSAs)</b>			
		<b>2017</b>	<b>2018</b>
<b>Maximum contribution limit</b>	Single	\$3,400	\$3,450
	Family	\$6,750	\$6,900
	Catch-Up (age 55 by the end of the year)	\$1,000	\$1,000
<b>Minimum annual deductible for High Deductible Health Plan (HDHP)</b>	Single	\$1,300	\$1,350
	Family	\$2,600	\$2,700
<b>HDHP maximum out-of-pocket expenses</b>	Single	\$6,550	\$6,650
	Family	\$13,100	\$13,300

If you have any questions about your retirement plan or these dollar limits, please contact your financial advisor.