



# 2024 CONTRIBUTION LIMITS AND STANDARD DEDUCTION ANNOUNCED

## SUMMARY

The IRS announced the 2024 contribution limits for retirement accounts. While they are not rising by as much as they did last year, they are still increasing.

## MORE INCREASES

After last year's historic increases across the board, this year's changes are much more modest. Nonetheless, all types of contribution limits except for catch-ups have increased for 2023.

Account Type	2023 Contribution Limit	2024 Contribution Limit	Total Increase
401(k), 403(b), most 457 plans, TSP	\$22,500	\$23,000	\$500
401(k), 403(b), most 457 plans, TSP Catch-up	\$7,500	\$7,500	\$0
Traditional IRA, Roth IRA	\$6,500	\$7,000	\$500
Traditional IRA, Roth IRA Catch-up	\$1,000	\$1,000	\$0
SEP IRA	\$66,000 (or 25% of compensation)	\$69,000 (or 25% of compensation)	\$3,000
SIMPLE IRA & SIMPLE 401(k)	\$15,500	\$16,000	\$500
SIMPLE IRA & 401(k) Catch-up	\$3,500	\$3,500	\$0
415(b) defined benefit plan max annuity	\$265,000 (annual benefit)	\$275,000 (annual benefit)	\$10,000
415(c) defined contribution plan max addition	\$66,000	\$69,000	\$3,000
Health Savings Account (HSA)	\$3,850 individual, \$7,700 family	\$4,150 individual, \$8,300 family	\$300, \$500
Flexible Savings Account (FSA)	\$3,050	\$3,200	\$150

The deductibility phaseout range for IRA contributions will increase to \$77,000-\$87,000 for individuals and \$123,000-\$143,000 for those married filing jointly. Meanwhile, the Roth IRA income phaseout range will increase to \$146,000-\$161,000 for individuals and \$230,000-\$240,000 for those married filing jointly.

As a reminder, in most cases, 2023 employee contributions to employer plans such as 401(k)s and 403(b)s must be made by December 31, 2023. You can continue to make 2023 contributions to traditional and Roth IRAs until Tax Day, April 15, 2024, and to SEP IRAs until you file your taxes (including any extensions).

## TAX DEDUCTIONS

The standard deduction for individual filers for tax year 2024 is also increasing, from \$13,850 (2023) to \$14,600. For those who are married filing jointly, the deduction will increase from \$27,700 (2023) to \$29,200. Remember that these are deductions for filing your 2024 taxes in 2025.

If you have questions about your contributions, please don't hesitate to reach out.

Best,

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