



## Little Has Changed in Retirement Account Contribution Limits

Retirement account contribution limits remain the same for 2017 with minimal adjustments in income limits for various account types. Remember to fully fund your account(s) for 2016 by April 15th and start funding your 2017 contributions as soon as possible to take advantage of compounding.

Type of Retirement Plan	Maximum Annual Contributions			
	2016		2017	
	Under Age 50	50 and Older	Under Age 50	50 and Older
<b>Individual Retirement Plans*</b>				
Traditional and Roth IRA	\$5,500	\$6,500	\$5,500	\$6,500
<b>Employer-Sponsored Retirement Plans</b>				
401(k), Roth 401(k), 403(b), 457 and SARSEP Plans – Employee contribution	\$18,000	\$24,000	\$18,000	\$24,000
SEP (Simplified Employee Pension) IRA	Employer contribution - 25% of compensation up to \$53,000 Employee contribution up to \$5,500 under age 50; \$6,500 over age 50		Employer contribution - 25% of compensation up to \$54,000 Employee contribution up to \$5,500 under age 50; \$6,500 over age 50	
<b>Small Business or Self-Employed Retirement Plans</b>				
Self-Employed 401k (a.k.a., Solo-401k, Individual 401k, Roth 401k)	Salary deferral of 20-25% of compensation, plus \$18,000 (under 50) or \$24,000 (over 50) in 2016 and 2017 up to a maximum of \$53,000 in 2016; \$54,000 in 2017			
SIMPLE (Savings Incentive Match Plan for Employees) IRA - Employee contribution	\$12,500	\$15,500	\$12,500	\$15,500
<b>Coverdell Education Savings Account**</b>				
Per beneficiary under age 18	\$2,000		\$2,000	
<b>Annual Gift Tax Exclusion</b>				
Amount that can be given from an individual to an individual without incurring gift taxes	\$14,000		\$14,000	

\*The income limit for taking a full deduction for contributions to a traditional IRA while participating in a workplace retirement will increase by \$1,000 for singles, from \$61,000 in 2016 to \$62,000 in 2017, and for married filing jointly, from \$98,000 in 2016 to \$99,000 in 2017. The deduction completely phases out when income goes above \$72,000 for singles and \$119,000 for married filing jointly, an increase by \$1,000.

*Traditional and Roth IRAs and Coverdell Education Savings Accounts have income phase-out ranges for determining tax deductibility or eligibility. Please check with your tax adviser or review literature on these retirement accounts to make certain you qualify.*

*Employer sponsored retirement accounts are subject to limitations with respect to employee elective contributions. Employees classified as "Highly Compensated" may be subject to contribution limits based on their employer's overall participation and the participation of other employees. Check with your firm's human resources department if you have questions about your plan. Anyone age 50 or older is eligible to make catch-up contributions. Employers are not required to permit catch-up contributions; however, since these contributions are not subject to nondiscrimination rules and eligibility is easily established, most permit catch-up contributions.*

*The preceding information is not intended as tax or legal advice. Please check with your appropriate advisers if you have questions regarding your retirement accounts.*



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