



First Quarter 2023

Retirement Plan Contribution Limits for 2022 and 2023

The inflation rate in 2022 has substantially increased employee contribution limits for retirement plans in 2023. New limits for 2023 contributions as well as 2022 contribution limits, which need to be made before April 15, are shown below.

Type of Retirement Plan	Maximum Annual Contributions			
	2022		2023	
	Under Age 50	50 and Older	Under Age 50	50 and Older
Individual Retirement Plans*				
	\$6,000	\$7,000	\$6,500	\$7,500
Employer-Sponsored Retirement Plans				
401(k), Roth 401(k), 403(b), 457 and SARSEP Plans – Employee contribution	\$20,500	\$27,000	\$22,500	\$30,000
SEP (Simplified Employee Pension) IRA	Employer contribution - 25% of compensation up to \$61,000		Employer contribution - 25% of compensation up to \$66,000	
Small Business or Self-Employed Retirement Plans				
	Non-Elective business contributions up to 25% of compensation			
Self-Employed 401k (a.k.a., Solo-401k, Individual 401k, Roth 401k)	Elective deferrals up to 100% of compensation with annual limit of \$20,500 plus catch-up contribution of \$6,500 if over 50		Elective deferrals up to 100% of compensation with annual limit of \$22,500 plus catch-up contribution of \$7,500 if over 50	
	up to a combined maximum of \$61,000 (\$67,500 over 50)		up to a combined maximum of \$66,000 (\$73,500 over 50)	
SIMPLE (Savings Incentive Match Plan for Employees) IRA - Employee contribution	\$14,000	\$17,000	\$15,500	\$19,000

**The ability to make tax-deductible contributions to a traditional IRA while participating in a workplace retirement account is subject to income limits that vary based on filing status and participating or non-participating spouse. After-tax contributions to a Roth IRA are also subject to income limitations. For example, to be eligible to contribute to a Roth IRA in 2023, your modified adjusted gross income (MAGI) must be under \$153,000 (single) or \$228,000 if married and filing jointly. That is up from the 2022 levels of \$144,000 (single) and \$214,000 (married filing jointly). Make certain you review and understand income limitations prior to making contributions.*

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