

## **Retirement Accounts Eligibility**

### **Traditional Individual Retirement Account (IRA)**

**Who is eligible:** Anyone who has earned income and is under the age of 70 ½ can contribute to an IRA. Individuals over the age of 70 ½ can maintain an IRA, but they cannot make contributions to it.

**Update:** For 2011 contribution limits are \$5,000. For those who are 50 years of age and older in 2011, an additional catch-up provision of \$1,000 can be contributed.

### **Roth IRA**

**Who is eligible:** Anyone who has earned income below set income levels. Unlike Traditional IRAs, contributions can be made by individuals over 70 ½ provided that their modified adjusted gross income in 2011 does not exceed \$107,000 for an individual or \$169,000 for a married couple filing jointly and \$122,000 and \$179,000, respectively for 2011.

**Update:** Contribution increases are identical to those for Traditional IRAs. Therefore, contribution limits are \$5,000 for 2011. For those who are 50 years of age and older in 2011, an additional \$1,000 catch-up provision can be contributed.

### **Simple (Savings Incentive Match Plan for Employees) IRA**

**Who is eligible:** Anyone who has earned income of \$5,000 in any two previous years and is expected to earn \$5,000 in the current year.

**Update:** For 2011, the contribution limit per employee is \$11,500. SIMPLE catch-up contributions are \$2,500 for those 50 years of age or older in 2011.

### **SEP (Simplified Employee Pension) Account**

**Who is Eligible:** Self-employed individuals who have earned income.

**Update:** Up to 25% of compensation or \$49,000 (2011), the lesser of the two.

### **403(b)(7) Account**

**Who is eligible:** Anyone who is a public school, hospital or church employee, or an employee of certain tax-exempt employers who offer this retirement plan.

**Update:** Contribution limits are \$16,500 in 2011. Catch-up provisions of \$5,500 for those 50 years of age and older in 2011 are also available.

### **Individual (k) Account**

**Who is eligible:** This plan is designed for owner-only businesses or businesses that can be excluded under federal laws governing plan coverage requirements.

**Update:** For 2011, the discretionary profit sharing component is up to \$16,500 for this year. Also, the catch-up contribution is \$5,500 for 2011.

*We offer no-fee retirement accounts.*

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