



RETIREMENT ACCOUNTS ELIGIBILITY

Traditional Individual Retirement Account (IRA)

Who is Eligible: Anyone who has earned income and is under the age of 70½ can contribute to an IRA. Individuals over the age of 70½ can maintain an IRA, but they cannot make contributions to it.

Update: For 2018, the contribution limits are \$5,500. For those who are 50 years of age and older in 2018, 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, full contributions can be made by investors 70½ and older provided that their modified adjusted gross income (MAGI) in 2018 does not exceed \$120,000 for an individual or \$189,000 for a married couple filing jointly. Partial contributions can be made if their MAGI in 2018 is within the range of \$120,000 to \$135,000 for an individual or \$189,000 to \$199,000 for a married couple filing jointly.

Update: Contribution increases are identical to those for Traditional IRAs. Therefore, contribution limits are \$5,500 for 2018. For those who are 50 years of age and older in 2018, an additional \$1,000 catch-up provision can be contributed. Roth IRA contributions are not deductible.

SIMPLE IRA (Savings Incentive Match Plan for Employees)

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 2018, the contribution limit per employee is \$12,500. SIMPLE catch-up contributions are \$3,000 for those 50 years of age or older in 2018.

SEP Account (Simplified Employee Pension)

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

Update: Contribution amounts up to 25% of compensation or \$55,000 (2018), the lesser of the two, are allowed.

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 that offer this retirement plan.

Update: Contribution limits are \$18,500 in 2018. Catch-up provisions of \$6,000 for those 50 years of age and older in 2018 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 2018, the discretionary profit sharing component is up to \$18,500 for this year. Also, the catch-up contribution is \$6,000 for 2018. For the deferral limits and contribution amounts, please contact us at 800-932-3271.

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