

# IRA Contribution Limits and Catch Up Provisions

## IRA Contribution Limits

Below is a chart that displays the maximum benefit and contribution limits for 2008 - 2009, as published by the Internal Revenue Service.

Establish a self-directed IRA or 401(k), invest in real estate and continue to contribute to your retirement plan.

What are this year's contribution limits? See below:

### Roth and Traditional IRA Contribution Limits

**2008** - \$5,000 plus \$1,000 catch-up if you are age 50 or over. (See Internal Revenue Service Publication 590 for more information.)

**2009** - \$5,000 plus \$1,000 catch-up if you are age 50 or over. (See Internal Revenue Service Publication 590v for more information.)

<b>Traditional IRA Contribution Limits and Roth IRA Contribution Limits</b>	<b>2008</b>	<b>2009</b>
Up to age 50	\$5,000	\$5,000
Catch Up Provision Age 50+	\$6,000	\$6,000

### Roth IRA Contribution Modified Adjusted Gross Income Phase Out Ranges

<b>Roth IRA Contribution MAGI Phase-Out Ranges</b>	<b>2008</b>	<b>2009</b>
Single Individuals	\$101,000 - \$116,000	\$105,000 - \$120,000
Married filing a joint income tax return	\$159,000 - \$169,000	\$166,000 - \$176,000
Married filing separate tax returns	\$0 - \$10,000	\$0 - \$10,000

### Traditional IRA Deductibility Modified Adjusted Gross Income Limit

<b>Traditional IRA Deductibility MAGI Limit</b>	<b>2008</b>	<b>2009</b>
Single - Active Participant	\$53,000 - \$63,000	\$55,000 - \$65,000
Married active participant filing joint	\$85,000 - \$105,000	\$89,000 - \$109,000
Married active participant filing separate	\$0 - \$10,000	\$0 - \$10,000
Spouse of an active participant	\$159,000 - \$169,000	\$166,000 - \$176,000

### SEP IRA Contribution Limits

**2008-** 25% of your wages (or up to 20% of your Schedule C income) up to a maximum of \$46,000. Contributions can be made for 2008 up until your tax tax-filing deadline plus extensions. (See Internal Revenue Service Publication 560 for more information.)

**2009 -** 25% of your wages (or up to 20% of your Schedule C income) up to a maximum of \$49,000. Contributions can be made for 2009 up until your tax tax-filing deadline plus extensions. (See Internal Revenue Service Publication 560 for more information.)

<b>SEP Contribution Limits</b>	<b>2008</b>	<b>2009</b>
SEP Contribution Limits	\$46,000*	\$49,000*

### **Profit Sharing/401(k) Contribution Limits and Roth 401(k) Contribution Limits**

**2008** - \$15,500 in salary deferral plus catch-up deferral of \$5,000 if you are 50 or over plus 25% of your wages (or 20% of your Schedule C income) up to a maximum of \$46,000. Salary deferral contributions for the self-employed (in addition to the employer profit sharing contributions) can be made if the tax return has been extended up until your tax-filing deadline for 2008.

**2009** - \$16,500 in salary deferral plus catch-up deferral of \$5,500 if you are 50 or over plus 25% of your wages (or 20% of your Schedule C income) up to a maximum of \$49,000. Salary deferral contributions for the self-employed (in addition to the employer profit sharing contributions) can be made if the tax return has been extended up until your tax-filing deadline for 2009.

<b>Profit Sharing/401(k) Contribution Limits</b>	<b>2008</b>	<b>2009</b>
<b>Roth 401(k) Contribution Limits</b>		
Up to age 50	\$46,000	\$49,000
Catch Up Provision Age 50	\$51,000	\$54,500

### **Coverdell ESA Contribution Limits**

Up to \$2,000 per year can be contributed into a Coverdell Education Savings Account until the child is age 18, unless the child is special needs. (See Internal Revenue Service Publication 970 for more information.)

<b>Coverdell ESA Contribution Limits</b>	<b>2008</b>	<b>2009</b>
Per year until the child is age 18, unless the child is special needs	\$2,000*	\$2,000*

## Health Savings Account Contribution Limits

**2008** - \$2,900 for individual coverage and \$5,800 for family coverage plus \$900 catch-up if you are over age 55. (See Internal Revenue Service Publication 969 for more information.)

**2009** - \$3,000 for individual coverage and \$5,950 for family coverage plus \$1000 catch-up if you are over age 55 (See Internal Revenue Service Publication 969 for more information.)

Health Savings Accounts	2008	2009
<b>Definition of High Deductible Health Plans - Deductibles/Out of Pocket Limits</b>		
Single Coverage - Minimum/Maximum	\$1,100/\$5,600	\$1,150/\$5,800
Family Coverage - Minimum/Maximum	\$2,200/\$11,200	\$2,300/\$11,600
<b>Health Savings Account Contribution Limits</b>		
Single Coverage	\$2,900	\$3,000
Family Coverage	\$5,800	\$5,950

### **SIMPLE IRA Contribution Limits**

**2008** - \$10,500 for salary deferral plus \$2,500 catch-up if you are 50, plus up to 3% of your salary matched by your employer (Internal Revenue Service Publication 560.)

**2009** - \$11,500 for salary deferral plus \$2,500 catch-up if you are 50, plus up to 3% of your salary matched by your employer (See Internal Revenue Service Publication 560.)

<b>SIMPLE IRA Contribution Limits</b>	<b>2008</b>	<b>2009</b>
<b>SIMPLE 401(k) Contribution Limits</b>		
Up to age 50	\$10,500*	\$11,500*
Catch Up Provision Age 50+	\$13,000*	\$14,500*