

ST. GERMAIN WEALTH MANAGEMENT GROUP



New Retirement Contribution Limits for 2026

The Internal Revenue Service recently released new limits for 2026. Although these adjustments won't bring any major changes, there are some minor elements to note.

Individual Retirement Accounts (IRAs)

IRA contribution limits are up \$500 in 2026 to \$7,500. Catch-up contributions for those over age 50 are up \$100 to \$1,100, bringing the total limit to \$8,600.

Roth IRAs

The income phase-out range for Roth IRA contributions increases to \$153,000–\$168,000 for single filers and heads of household. For married couples filing jointly, the phase-out will be \$242,000 to \$252,000. Married individuals filing separately see their phase-out range remain at \$0–10,000.

Workplace Retirement Accounts

Those with 401(k), 403(b), 457 plans, and similar accounts will see a \$1,000 increase for 2026, the limit rising to \$24,500. Those aged 50 and older will now have the ability to contribute an extra \$8,000, bringing their total limit to \$32,500. Those aged 60, 61, 62, and 63 may enjoy a higher catch-up contribution of \$11,250, raising their total contribution limit to \$35,750.

SIMPLE Accounts

A \$500 increase in limits for 2026 gives individuals contributing to this incentive match plan a \$17,000 stoplight. Pursuant to the Secure Act 2.0, certain applicable plans have an increased limit of \$18,100.

Other Changes

In addition to contribution limit changes, the IRS also announced several other amendments for 2026, including an increase to the annual exclusion for gifts to \$19,000 per person and an increase to the estate tax exclusion threshold.

Keep in mind that we provide updates for informational purposes only, so consult with your tax professional before making any changes in anticipation of the new 2026 levels. You can also contact our offices, and we can provide you with information about the pending changes.

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