



Retirement Planning

Several retirement contribution limits have changed from 2024-2025. There are two noticeable changes directly related to SECURE Act 2.0. Take a look at these changes noted below and make sure that you are maximizing your contributions in 2025!

The catch-up contribution limit for employees 60-63 increased to \$11,250 in 2025. For eligible employees of businesses with 25 or fewer employees, SIMPLE Plans offer eligible participants a higher contribution limit of \$17,600 under SECURE Act 2.0. Participants under age 50 and older increased to \$3,850, for a total of \$21,450.

Employee contribution limits to employer plans*	2024	2025
401(k), 403(b), 457(b), and SAR-SEPs (Includes Roth contributions to these plans)	\$23,000	\$23,500
Annual catch-up contribution (age 50+)	\$7,500	\$7,500
Workers aged 60-63 catch-up contribution	N/A	\$3,750 (on top of the \$7,500, or a super catch-up of \$11,250, on top of the \$23,500 for a total of \$34,750)
SIMPLE 401(k) and SIMPLE IRA plans	\$16,000	\$16,500
SIMPLE plans for businesses with 25 or fewer employees who earned at least \$5,000 in compensation the previous year	-	\$17,600
Enhanced catch-up contribution for 50+	-	\$3,850
IRA Contribution limits**		
Traditional and Roth IRAs (combined)	\$7,000	\$7,000
Annual catch-up contribution (age 50+)	\$1,000	\$1,000

*Lesser of these limits or 100% of the participant's compensation.

**Lesser of these limits or 100% of earned income.

MAGI phaseout limits for deductible contributions to a traditional IRA (Affects taxpayers covered by an employer-sponsored retirement plan)		
Single or head of household	\$77,000-\$87,000	\$79,000-\$89,000
Married filing jointly when the spouse who makes the contribution is covered by a workplace plan	\$123,000-143,000	\$126,000-\$146,000
Married filing jointly when the spouse who makes the contribution is not covered by a workplace plan but the other spouse is covered	\$230,000-240,000	\$236,000-\$246,000
Married filing separately	Up to \$10,000	Up to \$10,000

MAGI phaseout limits to contribute to a Roth IRA		
Single of head of household	\$146,000-\$161,000	\$150,000-\$165,000
Married filing jointly	\$230,000-\$240,000	\$236,000-\$246,000
Married filing separately (if lived with spouse at any time of the year)	Up to \$10,000	Up to \$10,000

Important Disclosures:

This information is not intended to be a substitute for specific individualized tax advice. We suggest that you discuss your specific tax issues with a qualified tax advisor. All information is believed to be from reliable sources; however, LPL Financial makes no representation as to its completeness or accuracy.