

# Contribution limits and tax reference

## Tax-advantaged accounts

### Traditional IRA

**Under age 50:** \$7,000      **Age 50 and above:** \$8,000\*

#### Phase-out ranges for IRA contribution deductibility for individuals covered by an employer plan:

Married, filing jointly or qualifying widow(er)      \$123,000 – \$143,000 MAGI<sup>†</sup>

Married, filing separately      \$0 – \$10,000 MAGI

Single or head of household      \$77,000 – \$87,000 MAGI

*Full deduction is permitted below phase-out range, scaled partial deduction is permitted within range and no deduction is permitted above range.*

Taxpayers can instruct the IRS to directly deposit their tax refund into their IRA. Current contribution limits apply.

### Roth IRA

**Under age 50:** \$7,000      **Age 50 and above:** \$8,000\*

#### Phase-out ranges for Roth contribution eligibility:

Married, filing jointly      \$230,000 – \$240,000 MAGI

Married, filing separately      \$0 – \$10,000 MAGI

Single or head of household      \$146,000 – \$161,000 MAGI

*Full contribution is permitted below phase-out range, scaled partial contribution is permitted within range and no contribution is permitted above range.*

### SEP IRA

- Up to the lesser of \$69,000 or 25% of eligible compensation with a \$345,000 compensation cap per employee.
- Minimum of \$750 in compensation required to participate in SEP.

### SIMPLE IRA

**Under age 50:** \$16,000      **Age 50 and above:** \$19,500<sup>†</sup>

### 401(k), 403(b), 457<sup>‡</sup>, SARSEP

**Under age 50:** \$23,000      **Age 50 and above:** \$30,500<sup>||</sup>

### Uni-k Plans

**Under age 50:** \$23,000      **Age 50 and above:** \$30,500<sup>||</sup>

Plus an additional 25% of income as defined by the plan, or approximately 20% of your self-employment income. Total contributions to a participant's account, not counting catch-up contributions for those age 50 and over, cannot exceed \$69,000.

### Defined benefit plan

\$275,000

*For a participant who separated from service before January 1, 2024, the limitation for defined benefit plans under Section 415(b)(1)(B) is computed by multiplying the participant's compensation limitation, as adjusted through 2023, by 1.0351.*

## Education accounts

### 529 college savings account

No age or income restrictions for contributions or beneficiaries.

	Annual gift tax exclusion amount <sup>#</sup> per beneficiary	Five-year accelerated gifting amount <sup>**</sup> per beneficiary
Single	\$18,000	\$90,000
Married, filing jointly	\$36,000	\$180,000

*Check with your 529 plan on maximum aggregate limits.*

*Tax-free withdrawals for qualified higher-education expenses; for up to \$10,000 in tuition expenses (per student per year) at elementary or secondary public, private or parochial schools; for fees, books and supplies for a registered apprenticeship program; and for repaying up to \$10,000 in qualified education loans. The earnings portion of withdrawals used for non-qualified expenses are subject to federal income taxes plus an additional 10% tax penalty and may be subject to state income or other taxes.*

### Coverdell education savings account

Beneficiaries under age 18 and special-need beneficiaries of any age: \$2,000

#### Phase-out ranges:

Single      \$95,000 – \$110,000 MAGI  
Married, filing jointly      \$190,000 – \$220,000 MAGI

\* Includes \$1,000 "catch-up." † Modified adjusted gross income (MAGI) is found by taking adjusted gross income (AGI) and adding back certain items such as foreign income, foreign-housing deductions, student-loan deductions, IRA-contribution deductions and deductions for higher-education costs. ‡ Includes \$3,500 "catch-up." § If the plan provides, a special "catch-up" limit may apply. || Includes \$7,500 "catch-up." # Contributions are completed gifts subject to the annual gift-tax exclusion and are removed from the contributor's federal estate. Any contributions above this amount will apply against the lifetime gift tax exemption. \*\* Under a special rule, contributions of \$90,000 (\$180,000 for married, filing jointly) can be made in one year and prorated over a five-year period without incurring gift taxes or reducing your unified estate and gift tax credit. If the contributor dies before the five-year prorating period expires, the contributions allocated to the remaining years move back into the contributor's taxable estate. Any appreciation on the entire original gift is not considered part of the estate.

## Federal tax brackets

Married, filing jointly (and surviving spouses)	
Taxable income	Tax rate
\$0–\$23,200	10% of the taxable income
\$23,200–\$94,300	\$2,320 plus 12% of the excess over \$23,200
\$94,300–\$201,050	\$10,852 plus 22% of the excess over \$94,300
\$201,050–\$383,900	\$34,337 plus 24% of the excess over \$201,050
\$383,900–\$487,450	\$78,221 plus 32% of the excess over \$383,900
\$487,450–\$731,200	\$111,357 plus 35% of the excess over \$487,450
Over \$731,200	\$196,669.50 plus 37% of the excess over \$731,200

Married, filing separate returns	
Taxable income	Tax rate
\$0–\$11,600	10% of the taxable income
\$11,600–\$47,150	\$1,160 plus 12% of the excess over \$11,600
\$47,150–\$100,525	\$5,426 plus 22% of the excess over \$47,150
\$100,525–\$191,950	\$17,168.50 plus 24% of the excess over \$100,525
\$191,950–\$243,725	\$39,110.50 plus 32% of the excess over \$191,950
\$243,725–\$365,600	\$55,678.50 plus 35% of the excess over \$243,725
Over \$365,600	\$98,334.75 plus 37% of the excess over \$365,600

Single (other than surviving spouses and heads of households)	
Taxable income	Tax rate
\$0–\$11,600	10% of the taxable income
\$11,600–\$47,150	\$1,160 plus 12% of the excess over \$11,600
\$47,150–\$100,525	\$5,426 plus 22% of the excess over \$47,150
\$100,525–\$191,950	\$17,168.50 plus 24% of the excess over \$100,525
\$191,950–\$243,725	\$39,110.50 plus 32% of the excess over \$191,950
\$243,725–\$609,350	\$55,678.50 plus 35% of the excess over \$243,725
Over \$609,350	\$183,647.25 plus 37% of the excess over \$609,350

Head of household	
Taxable income	Tax rate
\$0–\$16,550	10% of the taxable income
\$16,550–\$63,100	\$1,655 plus 12% of the excess over \$16,550
\$63,100–\$100,500	\$7,241 plus 22% of the excess over \$63,100
\$100,500–\$191,950	\$15,469 plus 24% of the excess over \$100,500
\$191,950–\$243,700	\$37,417 plus 32% of the excess over \$191,950
\$243,700–\$609,350	\$53,977 plus 35% of the excess over \$243,700
Over \$609,350	\$181,954.50 plus 37% of the excess over \$609,350

Estates and trusts	
Taxable income	Tax rate
\$0–\$3,100	10% of the taxable income
\$3,100–\$11,150	\$310 plus 24% of the excess over \$3,100
\$11,150–\$15,200	\$2,242 plus 35% of the excess over \$11,150
Over \$15,200	\$3,659.50 plus 37% of the excess over \$15,200

Long-term capital gains rate			
	0%	15%	20%
Married, filing jointly	\$0–\$94,050	\$94,050–\$583,750	Over \$583,750
Married, filing separately	\$0–\$47,025	\$47,025–\$291,850	Over \$291,850
Single	\$0–\$47,025	\$47,025–\$518,900	Over \$518,900
Head of household	\$0–\$63,000	\$63,000–\$551,350	Over \$551,350
Estates and trusts	\$0–\$3,150	\$3,150–\$15,450	Over \$15,450

Gift tax exclusions	
Annual exclusion	\$18,000
Lifetime exemption	\$13.61 million

Standard deductions*	
Married, filing jointly	\$29,200
Married, filing separately	\$14,600
Single	\$14,600
Head of household	\$21,900

Source: Internal Revenue Service. \* The additional standard deduction amount for the aged or the blind is \$1,550. These amounts are increased to \$1,950 if the individual is also unmarried and not a surviving spouse.

This material is provided for educational purposes only and does not constitute investment advice. The information contained herein is based on current tax laws, which may change in the future. BlackRock cannot be held responsible for any direct or incidental loss resulting from applying any of the information provided in this publication or from any other source mentioned. The information provided in these materials does not constitute any legal, tax or accounting advice. Please consult with a qualified professional for this type of advice.

© 2023 BlackRock, Inc. or its affiliates. All Rights Reserved. **BLACKROCK** is a trademark of BlackRock, Inc. or its affiliates. All other trademarks are those of their respective owners.

Prepared by BlackRock Investments, LLC, member FINRA. This material is provided for educational purposes only. BlackRock is not affiliated with any third party distributing this material.

Not FDIC Insured • May Lose Value • No Bank Guarantee

232350T-1123



USWAM1123U/S-3244239-2/2