

IRA Limits for 2013
excerpt from October 2012 Issue of Pension Digest

After many years, the maximum IRA contribution limits for 2013 will be \$500 larger. For 2008-2012, if a person was not age 50 as of December 31, then his or her maximum contribution was \$5,000 assuming he or she had compensation of at least \$5,000. This limit increases to \$5,500 for 2013. For 2008-2012, if a person was age 50 or older as of December 31, then his or her maximum contribution was \$6,000. This limit increases to \$6,500 for 2013. The annual catch-up contribution limit for individuals age 50 or older remains at \$1,000. Hopefully, contributions for 2013 will be larger than those for 2012 and end the recent decrease in IRA contributions.

Contribution limits for a person who is not age 50 or older.

<u>Tax Year</u>	<u>Amount</u>
2008	\$5,000
2009	\$5,000
2010	\$5,000
2011	\$5,000
2012	\$5,000
2013	\$5,500

Contribution Limits for a person who is age 50 or older.

<u>Tax Year</u>	<u>Amount</u>
2008	\$6,000
2009	\$6,000
2010	\$6,000
2011	\$6,000
2012	\$6,000
2013	\$6,500

IRS Issues 2013 COLAs				
IRS Announces Cost-of-Living Adjustments for 2012 The IRS in News Release No. IR-2011-103 Released its 2012 Adjustments as Follows:				
	2010	2011	2012	2013
Taxable Wage Base — OASDI Only	\$106,800	\$106,800	\$110,100	\$113,700
SEP and Qualified Plan Maximum Compensation Cap — 401(a)(17) & 404(e)	\$245,000	\$245,000	\$250,000	\$255,000
Elective (Salary) Deferral Limit — 401(k) & SAR-SEP	\$16,500	\$16,500	\$17,000	\$17,500
Elective Deferral Catch-up Limit	\$5,500	\$5,500	\$5,500	\$5,500
SIMPLE Deferral Limit — 408(p)(2)(A)	\$11,500	\$11,500	\$11,500	\$12,000
SIMPLE Catch-up Limit	\$2,500	\$2,500	\$2,500	\$2,500
Highly-Compensated Employees (Compensation as Indexed)	\$110,000	\$110,000	\$115,000	\$115,000
Defined Benefit Limit — Section 415(b)(1)(A)	\$195,000	\$195,000	\$200,000	\$205,000
Defined Contribution Limit — Section 415(c)(1)(A)	\$49,000	\$49,000	\$50,000	\$51,000
SEP Minimum Compensation Threshold — 408(k)(2)(c)	\$550	\$550	\$550	\$550
Key Employee Top Heavy — 41(l)(ii)(a)(i)	\$160,000	\$160,000	\$165,000	\$165,000