



**Professional Planning
Group**

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Retirement Plan and IRA Figures At-a-Glance

Contribution tables that may help employees.

Retirement Plan and IRA Figures At-a-Glance

	2009	2010
Employee/individual contribution limits		
Elective deferral limits		
401(k) plans, 403(b) plans, 457(b) plans, and SAR-SEPs ¹ (Includes Roth 401(k) and Roth 403(b) contributions)	Lesser of \$16,500 or 100% of participant's compensation	Lesser of \$16,500 or 100% of participant's compensation
SIMPLE 401(k) plans and SIMPLE IRA plans ¹	Lesser of \$11,500 or 100% of participant's compensation	Lesser of \$11,500 or 100% of participant's compensation
IRA contribution limits		
Traditional IRAs	Lesser of \$5,000 or 100% of earned income	Lesser of \$5,000 or 100% of earned income
Roth IRAs	Lesser of \$5,000 or 100% of earned income	Lesser of \$5,000 or 100% of earned income
Additional "catch-up" limits (individuals age 50 or older)		
401(k) plans, 403(b) plans, 457(b) plans, and SAR-SEPs ²	\$5,500	\$5,500
SIMPLE 401(k) plans and SIMPLE IRA plans	\$2,500	\$2,500
IRAs (traditional and Roth)	\$1,000	\$1,000
Employer contribution/benefit limits³		
Defined benefit plan limits		
Annual contribution limit per participant	No predetermined limit. Contributions based on amount needed to fund promised benefits.	No predetermined limit. Contributions based on amount needed to fund promised benefits.
Annual benefit limit per participant	Lesser of \$195,000 or 100% of average compensation for highest three consecutive years	Lesser of \$195,000 or 100% of average compensation for highest three consecutive years
Defined contribution plan limits (qualified plans, 403(b) plans, SEP plans, SIMPLE IRA plans)		
Annual addition limit per participant (employer contributions; employee pretax, after-tax, and Roth contributions; and forfeitures; not applicable to SIMPLE IRA plans)	Lesser of \$49,000 or 100% (25% for SEP) of participant's compensation	Lesser of \$49,000 or 100% (25% for SEP) of participant's compensation
Maximum tax-deductible employer contribution (not applicable to 403(b) plans)	25% of total compensation of employees covered under the plan (20% if self employed) plus any employee pretax and Roth contributions; 100% for SIMPLE plans	25% of total compensation of employees covered under the plan (20% if self employed) plus any employee pretax and Roth contributions; 100% for SIMPLE plans

Compensation limits/thresholds		
Retirement plan compensation limits		
Maximum compensation per participant that can be used to calculate tax-deductible employer contribution (qualified plans and SEPs)	\$245,000	\$245,000
Compensation threshold used to determine a highly-compensated employee	\$110,000 (when 2009 is the look-back year)	\$110,000 (when 2010 is the look-back year)
Compensation threshold used to determine a key employee in a top-heavy plan	\$1 for more-than-5% owners \$160,000 for officers \$150,000 for more-than-1% owners	\$1 for more-than-5% owners \$160,000 for officers \$150,000 for more-than-1% owners
Compensation threshold used to determine a qualifying employee under a SIMPLE plan	\$5,000	\$5,000
Compensation threshold used to determine a qualifying employee under a SEP plan	\$550	\$550
Traditional deductible IRA compensation limits		
Income phase-out range for determining deductibility of traditional IRA contributions for taxpayers:		
1. Covered by an employer-sponsored plan and filing as:		
Single	\$55,000-\$65,000	\$56,000-\$66,000
Married filing jointly	\$89,000-\$109,000	\$89,000-\$109,000
Married filing separately	\$0-\$10,000	\$0-\$10,000
2. Not covered by an employer-sponsored retirement plan, but filing joint return with a spouse who is covered by an employer-sponsored retirement plan	\$166,000-\$176,000	\$167,000-\$177,000
Roth IRA compensation limits		
Income phase-out range for determining ability to fund a Roth IRA for taxpayers filing as:		
Single	\$105,000-\$120,000	\$105,000-\$120,000
Married filing jointly	\$166,000-\$176,000	\$167,000-\$177,000
Married filing separately	\$0 - \$10,000	\$0 - \$10,000
Annual income limit for determining ability to convert traditional IRA to Roth IRA	\$100,000	N/A

¹Must aggregate employee contributions to all 401(k), 403(b), SAR-SEP, and SIMPLE plans of all employers. 457(b) plan contributions are not aggregated. For SAR-SEPs, the percentage limit is 25% of compensation reduced by elective deferrals (effectively, a 20% maximum contribution).

²Special catch-up limits may also apply to 403(b) and 457(b) plan participants. Age 50 \$5,500 catch-up limit does not apply to nongovernmental 457(b) plans.

³Note: For self-employed individuals, compensation generally means earned income. This means that, for qualified plans, deductible contributions for a self-employed individual are limited to 20% of net earnings from self-employment (net profits minus self-employment tax deduction), and special rules apply in calculating the annual additions limit.



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