

STATE VICE PRESIDENT'S MESSAGE

Once again! It's up to you to save!

In finding the following limits, I visited www.irs.gov to acquire the information for each Retirement Plan and Qualified Plan limit. Remember, you have until April 17, 2018, to contribute to your IRA and Roth IRA for 2017 (this is referred to as a "carry back contribution." The 2017 IRA carry back contribution limit is \$5,500 for age 49 and below, while the 2017 carry back contribution limit for age 50 and above is \$6,500. The good news is, Roth IRA carry back contribution limits are the same. So, for age 49 and below \$5,500 is the 2017 carry back contribution while age 50 and above enjoy a \$6,500 carry back Roth IRA contribution limit for 2017.

In 2018, the IRA & Roth

IRA contribution limits will remain the same as the 2017 limits. For age 49 and below the contribution limit is \$5,500 for 2018 while age 50 and above contribution limit for 2018 is \$6,500.

Moving on, the contribution limits for a 401(k) did change a little. The contribution limit is \$18,500 if you are 49 or below. If you happen to be 50 or above, you may contribute up to \$24,500 into your 401(k) for 2018 (this is known as a "catch up" contribution as well).

Educators, nurses, and doctors may have access to make contributions to a 403(b) account. If so, the contribution limit for 2018 also changed to \$18,500 if you are 49 or younger, while if you are age 50 and above your 2018 contribution limit is

\$24,500. In summary, we saw some small changes in contribution limits between 2017 and 2018. Before contributing, make sure you have reviewed your contribution plan with your Accountant/CPA. IRA headaches are never fun, and a little homework can go a very long way come tax time.

Happy Savings in 2018!



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KJT State Vice President