



# The 2026 Retirement Savings Limits: What Changed and Who It Impacts

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The IRS adjusts retirement account contribution limits annually based on inflation. For 2026, several key limits increased, providing more room for tax-advantaged savings. Understanding these changes helps you maximize contributions and avoid missed opportunities.

## The Numbers That Changed

The 401(k) contribution limit increased to \$24,500 for 2026, up \$1,000 from 2025. This applies to 401(k) plans, 403(b) plans, most 457 plans, and the federal Thrift Savings Plan. That's an extra \$1,000 in tax-deferred or Roth savings for those who max out their contributions.

The IRA contribution limit moved to \$7,500, up \$500 from \$7,000. This is the first increase since 2024, as IRA limits stayed flat for 2025. The catch-up contribution for those age 50+ also increased to \$1,100 (up from \$1,000), bringing the total IRA limit to \$8,600 for eligible savers.

For 401(k)-type plans, the age 50+ catch-up increased to \$8,000, up from \$7,500. This means a 50-year-old can contribute a total of \$32,500 to their 401(k) in 2026.

## The Super Catch-Up Remains Unchanged

The enhanced catch-up contribution for ages 60-63 stays at \$11,250 for 2026. This provision from SECURE 2.0 allows those in this specific age range to contribute 50% more than the standard catch-up, creating a four-year window where total contributions can reach \$35,750. Your employer's plan must offer this option for you to take advantage of it.

## The New Mandatory Roth Catch-Up Rule

Starting in 2026, if you earned more than \$150,000 in 2025, any catch-up contributions to your 401(k), 403(b), or governmental 457 plan must be made as Roth (after-tax) contributions. Pre-tax catch-up contributions are no longer an option for high earners.

This changes tax planning significantly. Many high earners in their 50s and 60s have used pre-tax catch-up contributions to lower taxable income. Now those catch-up dollars will increase your current tax bill, though you'll benefit from tax-free growth and withdrawals later.

The \$150,000 threshold is based on FICA wages from the prior year and applies per individual, not per household. This rule only affects catch-up contributions—your regular \$24,500 contribution can still be made pre-tax regardless of income.

## Traditional IRA Deductions: Who Can Still Claim Them

Anyone can contribute to a traditional IRA regardless of income, but whether you can deduct that contribution depends on three things: your income, your filing status, and whether you're covered by a workplace retirement plan.

If neither you nor your spouse has a workplace retirement plan, you can deduct the full contribution amount regardless of income. But if either of you is covered by a plan at work, these 2026 income limits apply:

**Single filers covered by a workplace plan:** Full deduction if income is \$81,000 or less. Partial deduction between \$81,000-\$91,000. No deduction above \$91,000.

**Married filing jointly (both covered by workplace plans):** Full deduction if combined income is \$129,000 or less. Partial deduction between \$129,000-\$149,000. No deduction above \$149,000.

**Married filing jointly (only one spouse covered by a workplace plan):** The spouse without a plan can take a full deduction with combined income up to \$242,000. Partial deduction between \$242,000-\$252,000. No deduction above \$252,000.

These thresholds increased modestly from 2025 but still exclude many dual-income professional households from claiming the deduction. High earners who can't deduct traditional IRA contributions typically use the backdoor Roth IRA strategy instead.

## Roth IRA Income Limits Moved Up

The income limits for Roth IRA contributions also increased. Single filers can make a full contribution if income is below \$153,000, with phaseout extending to \$168,000. For married couples filing jointly, the range is \$242,000 to \$252,000.

High earners above these limits can still fund a Roth IRA using the backdoor Roth strategy: contribute to a traditional IRA (non-deductible), then immediately convert it to a Roth.

## What This Means for Your Planning

These increased limits only help if you adjust your contributions to capture them. If you're contributing a fixed dollar amount rather than a percentage, update your payroll elections to take advantage of the higher limits.

Federal employees in the TSP face the same limits and the same mandatory Roth catch-up rule as private sector 401(k) participants.

The mandatory Roth catch-up requires special attention. If you've been counting on pre-tax catch-up contributions to reduce taxable income and you earn over \$150,000, that tax strategy no longer works. Plan for the additional tax liability or reconsider whether catch-up contributions fit your situation.

For those approaching retirement, the enhanced catch-up for ages 60-63 represents a significant opportunity to accelerate savings during peak earning years. Someone in this age range earning over \$150,000 could contribute \$35,750 to their 401(k) in 2026, though the catch-up portion will now create a current-year tax bill rather than a deduction.

Understanding these limits and planning accordingly is fundamental to effective retirement preparation. The 2026 changes provide additional capacity for tax-advantaged savings, but only if you're aware of them and adjust contributions accordingly.

**Sources:**

- Internal Revenue Service, "401(k) limit increases to \$24,500 for 2026, IRA limit increases to \$7,500," IR-2025-111, November 13, 2025
- Internal Revenue Service, Notice 2025-67, "2026 Amounts Relating to Retirement Plans and IRAs, as Adjusted for Changes in Cost-of-Living"

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Avery Hayes is a dedicated Financial Advisor at Hayes Advisory Group with a focus on strategic planning and education. With a passion for helping clients navigate the complexities of financial management, Avery specializes in creating and implementing comprehensive plans that encompass investment management, financial planning, and tax planning. Avery's approach is rooted in a deep understanding of the financial landscape and a commitment to educating clients, empowering them to make informed decisions about their financial future. Avery also helps with educational courses taught through employer classes, classes taught for Federal employees, and The Prepare Institute, a 501©3 non-profit educational institution.

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