

2009/2010 Dollar Limitations for Retirement Plans

New limitations will apply to retirement plans and other benefit plans in 2010 as a result of cost-of-living adjustments made by the IRS and Social Security Administration. The limits for 2010, as well as the 2009 limits are as follows:

Account Types		2009 Limit	2010 Limit
IRA	Traditional and Roth IRA Contribution Limit	\$5,000	\$5,000
	Catch-Up Limit for individuals age 50 and older	\$1,000	\$1,000
SIMPLE IRA	Elective Deferral Limit	\$11,500	\$11,500
	Catch-Up Limit for individuals age 50 and older	\$2,500	\$2,500
	Maximum Employer Match (\$1 for \$1 match on the first 3% of employee compensation deferred. Catch-up deferral is also matched if over age 50)	\$11,500	\$11,500
	Maximum Employer Non-Elective Contribution (2% of employee's compensation, up to \$230,000)	\$4,900	\$4,900
SEP IRA	Maximum SEP Contribution	\$49,000	\$49,000
	SEP Compensation Exclusion	\$550	\$550
401(k), SARSEP, 403(b) and Governmental 457(b)	Elective Deferral Limit	\$16,500	\$16,500
	Catch-Up Limit for individuals age 50 and older	\$5,500	\$5,500
Profit Sharing, 401(k) and Money Purchase Pension	Defined Contribution Limit (415(c) limit)	\$49,000	\$49,000
Profit Sharing, 401(k), SEP and Money Purchase Pension	Employee Annual Compensation Limit	\$245,000	\$245,000
401(k), SARSEP, 403(b) and Governmental 457(b)	Highly Compensated Employee Limit (No requirement for 5% owner)	\$110,000	\$110,000
Profit Sharing, 401(k) and Money Purchase Pension	Top-heavy Plan-Key Employee Compensation Limit	\$160,000	\$160,000
Defined Benefit	Maximum Annual Benefit at Retirement	\$195,000	\$195,000



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Modified Adjusted Gross Income (MAGI) Phase Out Ranges for Traditional IRA Deduction when Taxpayer is Covered by a Retirement Plan at Work			
Filing Status		2009	2010
Single or Head of Household		\$55,000-65,000	\$56,000-66,000
Married Filed Jointly		\$89,000-109,000	\$89,000-109,000
Married Filing Jointly for Non-Covered Spouse with a Spouse Who is an Active Participant		\$166,000-176,000	\$167,000-177,000
MAGI Phase Out Ranges for Roth IRA Annual Contributions			
Filing Status		2009	2010
Single or Head of Household		\$105,000-120,000	\$105,000-120,000
Married Filed Jointly		\$166,000-176,000	\$167,000-177,000
Social Security		2009	2010
Social Security Taxable Wage Base		\$106,800	\$106,800
Maximum Earnings for individuals under normal retirement age before Social Security Benefits are reduced. One dollar in benefits will be withheld for every \$2 in earnings above the limit.		\$14,160 (\$1,180/mo)	\$14,160 (\$1,180/mo)
Maximum Social Security Benefit at Social Security Full Retirement Age		\$2,323	\$2,323
Health Savings Accounts (HSAs)		2009	2010
Maximum Contribution Limit	Single	\$3,000	\$3,050
	Family	\$5,950	\$6,150
	Catch-Up (age 55 by the end of the year)	\$1,000	\$1,000
Minimum Annual Deductible for High Deductible Health Plan (HDHP)	Single	\$1,150	\$1,200
	Family	\$2,300	\$2,400
HDHP Maximum Out of Pocket Expenses	Single	\$5,800	\$5,950
	Family	\$11,600	\$11,900

If you have any questions about your retirement plan or these dollar limits, please contact your Financial Consultant.



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