



2025 Retirement Contribution Limits

Maximize your savings with the latest IRS updates

Updated by White Wolf CPA | May 2025

Contribution Limits Overview

Plan Type	Under Age 50 Limit	Age 50+ Catch-Up	Total (50+) Limit	Notes
Traditional IRA / Roth IRA	\$7,000	\$1,000	\$8,000	Combined limit for both accounts
SEP IRA	Up to \$70,000	N/A	N/A	Employer contributions only; up to 25% of compensation
401(k), 403(b), 457(b)	\$23,500	\$7,500	\$31,000	Employee salary deferrals
401(k) Ages 60-63	\$23,500	\$11,250	\$34,750	Enhanced catch-up under SECURE 2.0
Defined Benefit Plan	N/A	N/A	\$280,000 annual benefit	Based on 3-year average compensation

Note: SEP IRA contributions are limited to the lesser of 25% of compensation or \$70,000 for 2025 .

Key Highlights

- **IRA & Roth IRA:** The combined annual contribution limit remains at \$7,000, with an additional \$1,000 catch-up for those aged 50 and over. [IRS+8MarketWatch+8NerdWallet: Finance smarter+8](#)
 - **Roth IRA Income Limits:**
 - **Single Filers:** Full contribution allowed if Modified Adjusted Gross Income (MAGI) is under \$150,000; phased out up to \$165,000.
 - **Married Filing Jointly:** Full contribution allowed if MAGI is under \$236,000; phased out up to \$246,000. [Fidelity Investments+3Schwab+3Christoffer Vestergaard Blog+3Schwab+2TIAA+2MarketWatch+2](#)
 - **401(k) & Similar Plans:** Employee deferral limit increases to \$23,500. Individuals aged 50 and over can contribute an additional \$7,500. Those aged 60–63 are eligible for an enhanced catch-up contribution of \$11,250, bringing their total potential contribution to \$34,750. [Wall Street Journal+11The US Sun+11MissionSquare Retirement+11IRS+9Wall Street Journal+9JPMorgan Chase+9](#)
 - **SEP IRA:** Employers can contribute up to 25% of an employee's compensation, not exceeding \$70,000 for 2025. [Morven Tanvi Blog - Morven Tanvi+5Fidelity Investments+5IRS+5](#)
 - **Defined Benefit Plans:** The maximum annual benefit limit increases to \$280,000. [Day Pitney LLP+1IRS+1](#)
-

White Wolf CPA Tips

- **Self-Employed Individuals:** Consider a Solo 401(k) or SEP IRA to maximize retirement contributions.
- **High Earners:** Evaluate the benefits of a Defined Benefit Plan for significant tax-deferred growth.
- **Age 60–63:** Take advantage of the enhanced catch-up contributions to boost your retirement savings. [JPMorgan Chase+1IRS+1](#)
- **Roth IRA Eligibility:** Monitor your MAGI to ensure eligibility for Roth IRA contributions. [Schwab+2Vanguard+2IRS+2](#)