

Overview of IRAs 2026

Chances are good you will need to depend more on your personal saving for retirement given that most companies no longer offer pensions, and Social Security is funding a smaller portion of your monthly income. One way to address these gaps is to make consistent contributions to your Individual Retirement Accounts (IRAs) and workplace retirement plans (WRPs) such as 401(k), 403(b), SEP or SIMPLE IRAs. This piece will outline the limits on contributions and deductions for both Traditional and Roth IRAs.

Wednesday **April 15, 2026**, is the deadline to open and/or make 2025 contributions to Traditional and Roth IRAs.

- Extensions for filing your taxes generally do not apply to your IRA contributions.

Important Points to Remember

- You can contribute if you, or your spouse if filing jointly, have taxable income, or compensation, earned from working.
- The IRS considers compensation to be the amount shown in Box 1 of Form W-2. This includes wages, salaries, tips, professional fees, bonuses, nontaxable combat pay, taxable non-tuition fellowship and stipend payments, as well as taxable alimony and separate maintenance payments. The alimony and separate maintenance provisions apply only to divorce or separation instruments executed on or before December 31, 2018, provided they have not been amended to exclude these amounts.
- Compensation does not include any amount received as earnings and profits from property, such as rental, interest or dividend income, pension or annuity income, deferred compensation, income from certain partnerships, and any amounts (other than combat pay) you exclude from income, such as foreign earned income and housing costs.
- Contributions can only be made in the form of cash, check, or money order. Contributions in-kind, such as securities or property, are not accepted.

2026 Traditional and Roth IRA Contributions

- Maximum contribution for those under age 50 - **\$7,500**
- Maximum contribution for those age 50 and older - **\$8,600**
- The total contributions to all your Traditional and Roth IRAs are aggregated. That means the total amount you contribute must not exceed the annual maximum limit for your age or 100% of your earned income, whichever is less.
- You can contribute no matter what your age is as long as you or, if filing jointly, your spouse, has compensation.
- You can contribute to a Traditional IRA even if you don't qualify for the tax deduction.
- Roth IRA contributions are made with after-tax amounts and are not deductible.
- You can contribute to your IRA and your WRP in the same year. Contributing to both can help you save more for your retirement.

2026 Traditional IRA Deductibility Limits

- You get a full deduction no matter how much you earn when you and, if married, your spouse are not covered¹ by a WRP.
- When you are covered¹ by a WRP there is a phase out limit for deductibility based on your tax filing status and Modified Adjusted Gross Income (MAGI):

Single	Married filing jointly	Married filing separately ²	Deduction
Under \$81,000	Under \$129,000	Under \$0	Full
\$81,000 - \$91,000	\$129,000 - \$149,000	\$0 - \$10,000	Partial
Over \$91,000	Over \$149,000	Over \$10,000	None

- When one spouse is covered by WRP and one is not covered¹, the deductibility limit for the spouse not covered is based on your tax filing status and MAGI:

Married filing jointly	Married filing separately ²	Deduction
Under \$242,000	Under \$0	Full
\$242,000 - \$252,000	\$0 - \$10,000	Partial
Over \$252,000	Over \$10,000	None

2026 Roth IRA Contribution Limits

- Contributions can be made to a Roth IRA if you are at or under the MAGI limits below based on your tax filing status:

Single	Married filing jointly	Married filing separately ²	Deduction
Under \$153,000	Under \$242,000	Under \$0	Full
\$153,000 - \$168,000	\$242,000 - \$252,000	\$0 - \$10,000	Partial
Over \$168,000	Over \$252,000	Over \$10,000	None

2026 QCD Limit

- Annual Maximum QCD Amount - **\$111,000**
- Lifetime One-Time Split-Interest Election - **\$55,000**
 - The One-Time amount counts toward the annual QCD limit in the year of the election.

Learn more by visiting www.IRS.gov or reading IRS Notice 2025-67. The earlier you start saving, the more time you have to achieve your retirement goals.



 fincw.com

 1.800.766.7327

 sails@fincw.com



Author:

Cathleen Davis-Whitmore

Chief Marketing Officer & IRA SME

Fin CW's "IRA Oracle"

1. You are covered by a WRP if the "Retirement Plan" box in Box 13 of your W-2 is checked.
2. If you did not live with your spouse at any time during the tax year, your filing status for IRA contribution purposes is considered single.