

Premiere Select® IRA Contribution Guide

Traditional IRA Contributions

- Anyone who has earned compensation¹ can contribute up to the contribution limit, as indicated in the IRA Contribution Limits table to the right, or 100% of compensation, whichever is less, per tax year, to a Traditional IRA.
- A spouse may also contribute up to the contribution limit or 100% of the couple's combined compensation per tax year, whichever is less, to a separate Traditional IRA (Spousal IRA), as long as he/she files a joint income tax return.
- Married individuals filing a joint federal income tax return may contribute up to the contribution limit to both a Traditional IRA and a Spousal IRA, as long as the combined annual contributions to both IRAs do not exceed twice the contribution limit or 100% of the couple's combined compensation, whichever is less.
- Contributions can be made to both a Traditional IRA and a Roth IRA, but the combined total contribution cannot exceed the contribution limit per tax year or 100% of compensation per tax year, whichever is less.

¹ Compensation as defined in the Internal Revenue Code and accompanying Treasury Regulations.

Deductibility of Traditional IRA Contributions

Contributions may be fully or partially tax deductible, depending on Adjusted Gross Income (AGI) and whether or not an individual is an active participant in an employer-sponsored retirement plan.

AGI Limits for Deductible Traditional IRA Contributions

IRA CONTRIBUTION LIMITS		
Year:	Annual Contribution Limit:	Additional catch-up contribution for people age 50 and older*
2023	\$6,500	\$1,000
2024 [†]	\$7,000	\$1,000

SINGLE TAX FILERS		
	2023	2024
Not covered by a retirement plan at work	No AGI limit	No AGI limit
Covered by a retirement plan	Full deductibility for AGI up to \$73,000; partial deductibility for AGI more than \$73,000 and less than \$83,000	Full deductibility for AGI up to \$77,000; partial deductibility for AGI more than \$77,000 and less than \$87,000

MARRIED COUPLES FILING JOINTLY		
	2023	2024
Neither spouse is covered by a retirement plan at work	No AGI limit	No AGI limit
Only one spouse is covered by a retirement plan at work	For the spouse not covered, full deductibility for AGI up to \$218,000; partial deductibility for AGI more than \$218,000 and less than \$228,000 For the spouse who is covered, full deductibility for AGI up to \$116,000; partial deductibility for AGI more than \$116,000 and less than \$136,000	For the spouse not covered, full deductibility for AGI up to \$230,000; partial deductibility for AGI more than \$230,000 and less than \$240,000 For the spouse who is covered, full deductibility for AGI up to \$123,000; partial deductibility for AGI more than \$123,000 and less than \$143,000
Both spouses are covered by a retirement plan at work	Full deductibility for AGI up to \$116,000; partial deductibility for AGI more than \$116,000 and less than \$136,000	Full deductibility for AGI up to \$123,000; partial deductibility for AGI more than \$123,000 and less than \$143,000

* You must be projected to reach age 50 or older by 12/31 of the tax year to which the contribution relates.

[†] Subject to annual cost of living increases thereafter.

- For married couples filing separate returns with AGI of \$10,000 or more, neither individual is eligible to make a deductible IRA contribution if either spouse is an active participant in an employer-sponsored retirement plan. Married couples filing separately who live apart for the entire year are treated as single filers for purposes of determining annual deductible IRA contribution limits.
- Any individual, married or single, who is not eligible to make deductible IRA contributions, may make non-deductible IRA contributions up to the contribution limit per tax year, regardless of AGI or participation in an employer-sponsored retirement plan.
- Individuals should complete IRS Form 8606 for each year in which a non-deductible Traditional IRA contribution is made, as well as each year a distribution is taken from any IRA that held any non-deductible contributions. (Note that IRS Form 8606 may also need to be filed with the IRS under other circumstances.)

Roth IRA Contributions

- In general, anyone who has earned compensation, with an Adjusted Gross Income that does not exceed the limits noted below, can contribute up to the annual contribution limit* or 100% of compensation, whichever is less, per tax year to a Roth IRA.
- Contributions can be made to both a Traditional IRA and a Roth IRA, but the combined total contribution to an individual's Traditional and Roth IRAs cannot exceed the annual contribution limit* or 100% of compensation per tax year, whichever is less.
- A spouse can also contribute up to the maximum contribution limit* to a Roth IRA (Spousal IRA) per tax year as long as he or she files a joint federal income tax return and the couple's combined AGI does not exceed the limits below.
- A married individual who files a separate federal income tax return can contribute to a Roth IRA if his/her AGI is less than \$10,000. (Married individuals who file separately and live apart for the entire tax year are treated as individuals for determining eligibility to contribute or convert to a Roth IRA.)

Roth IRA Contribution Limits per AGI

SINGLE TAX FILERS	2023	2024
Full contribution limit*	Less than \$138,000	Less than \$146,000
Partial contribution**	At least \$138,000 and less than \$153,000	At least \$146,000 and less than \$161,000
Not eligible to make a Roth IRA contribution	\$153,000 or more	\$161,000 or more

MARRIED COUPLES FILING JOINTLY	2023	2024
Full contribution limit*	Less than \$218,000	Less than \$230,000
Partial contribution**	At least \$218,000 and less than \$228,000	At least \$230,000 and less than \$240,000
Not eligible to make a Roth IRA contribution	\$228,000 or more	\$240,000 or more

* Refer to IRA Contribution Limits on page 1 for your annual contribution limit.

** Consult your tax advisor to determine the specific amount.

Conversions to a Roth IRA

In addition to making annual contributions to a Roth IRA, an individual may also convert, subject to the rules below, existing Traditional IRA, Rollover IRA, SEP-IRA, SIMPLE IRA (after the two-year holding period expires), or eligible employer-sponsored retirement plan assets to a Roth IRA.

- There is no AGI limit or tax filing status requirement to convert to a Roth IRA.
- When converting to a Roth IRA, the IRA owner is required to pay taxes on any taxable converted amount (i.e., deductible contributions and any investment earnings).
- Conversions from Traditional, Rollover, SEP, or SIMPLE IRAs can be made either via a 60-day rollover or via a trustee-to-trustee transfer.
- If taxes are to be withheld from the conversion amount, the amount withheld may be subject to a 10% early withdrawal penalty (unless an exception applies).
- Conversions include eligible rollover distributions from certain employer-sponsored retirement plans that are rolled over (converted) to a Roth IRA. For plan participants and spouse beneficiaries, a qualified rollover contribution can be made as a 60-day rollover or a trustee-to-trustee transfer. For non-spouse beneficiaries, a qualified rollover contribution to an inherited Roth IRA must be made as a trustee-to-trustee transfer.

SEP-IRA Contributions

- Contributions to SEP-IRAs are made by the employer into a SEP-IRA established by the employee and are generally tax-deductible to the business.
- The employer can make an annual contribution of up to 25% of each eligible employee's compensation based on the first \$330,000 for 2023 and \$345,000 for 2024 (as indexed thereafter) of employee compensation — for a maximum contribution of \$66,000 for 2023 and \$69,000 for 2024 (per IRC Section 415(c)(1)(a)).
- Employer contributions must be uniform among all employees including the employer. The employer may vary his/her contribution percentage each year from 0–25%. Variations in employer contributions must be disclosed to employees.
- Employer's SEP contributions are generally treated as an exclusion from the employee's income and are not reported on the employee's W-2 form.

IRS 990-T UBTI Tax Return Filing Fee

I understand that FMTC may be required to file IRS Form 990-T on my behalf in order to report Unrelated Business Taxable Income (UBTI) of \$1,000 or more on Master Limited Partnerships (MLP) and Limited Partnerships (LP) held in my retirement account. IRS Form 990-T is required to be filed by the tax filing deadline, including any extensions. I understand that in accordance with Section 19(a) of my Premiere Select IRA Custodial Agreement or my Premiere Select Retirement Plan and Trust Agreement, as applicable, if a Form 990-T filing is required a **\$75** IRS 990-T UBTI Tax Return Filing fee will be paid from the core account of this retirement account.

Clearing, custody or other brokerage services may be provided by National Financial Services LLC or Fidelity Brokerage Services LLC, Members NYSE, SIPC.

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