



# Your Money Matters

An informational Newsletter from PlanMember

## Retirement plan contribution limits for 2024

One of the most basic principles of successful long-term investing is to invest as much as you can as soon as you can. For 2024, almost all of the annual retirement plan contribution limits have increased from their 2023 levels. Limits for 2024 include:

2024 Retirement Plan Contribution Limits	
Type of Plan	2024 Limit
<b>401(k), 403(b), 457(b) and SAR-SEP Plans</b>	<b>\$23,000</b>
Age 50 & Over Catch-Up for 401(k), 403(b) and governmental 457(b) plans	\$7,500
403(b) Service-Based Catch-Up for 15+ years with Employer <sup>1</sup>	\$3,000
<b>Roth/Traditional IRA</b>	<b>\$7,000</b>
Age 50 & Over Catch-Up	\$1,000
<b>SIMPLE Plan Elective Deferral Limit</b>	<b>\$16,000</b>
Age 50 & Over Catch-Up	\$3,500
Defined Contribution Maximum Combined Employer and Employee Contribution	\$69,000

- For individuals under age 50, the maximum contribution to 401(k), 403(b) and 457(b) plans has increased to \$23,000. For individuals age 50 and older, the additional catch-up contribution to 401(k), 403(b) and governmental 457(b) plans increased to \$7,000.
- The maximum combined employee and employer contribution to 401(k) and 403(b) plans increased to \$69,000.
- For individuals under age 50, the maximum contribution to Traditional and Roth IRAs increased to \$7,000. For individuals age 50 and older, the additional catch-up to Traditional and Roth IRAs remains \$1,000.
- The 403(b) plan service-based catch-up contributions, available to 403(b) account holders with at least 15 years of service with their current employer, remains \$3,000.<sup>1</sup>
- If your employer offers both a 403(b) and a governmental 457(b) plan, then you can contribute up to the combined maximum annual contributions to each plan. This means if you are under age 50, you can contribute up to \$23,000 to each plan for a total maximum 2024 contribution of \$46,000. If you're age 50 or older, you can contribute up to \$30,500 to both the 403(b) plan and the governmental 457(b) plan for a maximum 2024 contribution of \$61,000.

1. Up to a \$15,000 lifetime limit. Other conditions apply. 2. Assumes an 6% average annual growth rate and a single lump sum contribution at the beginning of each year. Actual returns may be higher or lower. Table is for illustration purposes only and is not intended to indicate the past or future performance of any investment options available through the PlanMember Program. This hypothetical illustration does not include sales charges or other expenses.

This communication is not intended to be tax, legal, or accounting advice. Issues could exist that can affect the tax treatment of a transaction. Therefore, taxpayers should seek advice from an independent tax, legal, or accounting advisor before acting on any information presented. This information cannot be used to avoid tax penalties.

## Contribute as much as you can as soon as you can

By investing as much as you can as soon as you can, you can take advantage of the power of long-term compound growth. The hypothetical table below illustrates how by contributing just \$1,000 more per year has the potential to significantly increase the size of your nest egg over the long term.<sup>2</sup>

	After 10 Yrs	After 20 Yrs	After 30 Yrs
<b>\$10,000 per Year:</b>	\$139,716	\$389,927	\$838,017
<b>\$11,000 per Year:</b>	\$153,688	\$428,920	\$921,818
<b>Savings Increase:</b>	\$13,972	\$38,993	\$83,802

*Together we can find creative ways to save on everyday expenses so you can maximize your retirement plan contributions.*



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