

Sample article for organizations and employers to use to reach customers (254 word count)

Customize and provide the following article in your communication vehicles for your audience.

IRA contribution and deduction rules for 2014

Using individual retirement arrangements is a good way to save for your retirement. However, there is a limit on the amount you can contribute to traditional or Roth IRAs each year. There are factors that affect how much of your traditional IRA contributions are deductible. Roth IRA contributions aren't deductible.

Contribution limit

For 2014, contributions to a traditional or Roth IRA may be the smaller of:

- \$5,500 (\$6,500 if you are age 50 or older), or
- your taxable compensation for the year.

This limit is the total amount you may contribute regardless of whether the contributions are:

- to one or more traditional or Roth IRAs, or
- nondeductible, wholly or partly.

Some factors may limit or eliminate your ability to contribute to an IRA. For example:

- you can't contribute to a traditional IRA for the year you turn 70½ and later years, but you may be able to contribute to a Roth IRA; and
- your contribution to a Roth IRA is reduced or eliminated as your modified adjusted gross income reaches certain levels depending on your filing status,.

The IRA contribution limit doesn't apply to:

- [Rollover](#) contributions
- [Qualified reservist repayments](#)

Deduction limit

The amount of traditional IRA contributions that you can deduct from your taxable income depends on whether you or your spouse were covered for any part of the year by an employer-sponsored retirement plan, if your income is above certain thresholds. Again, Roth IRA contributions aren't deductible.

Use IRAs to save for your retirement, but remember these IRA contribution and deduction limits.

NOTE TO EDITOR: Below are links to helpful retirement information on IRS.gov.

- [Individual Retirement Arrangements \(IRAs\)](#) – how to start using IRAs to save for retirement, contribution and deduction limits, and taxes you have to pay when you withdraw money.
- [IRA Frequently Asked Questions](#) – answers to common questions on a variety of IRA topics.
- [Publication 590, Individual Retirement Arrangements \(IRAs\)](#) – comprehensive description of the IRA rules, including contribution and deduction rules and deadlines.
- [Retirement Saving Tips for Individuals](#) – information on how to save for retirement.

On Twitter? Send these Tweets:

- Learn how an #IRA can help you save for your #retirement <http://go.usa.gov/9bsw> #IRS
- Did you inherit an #IRA? Read information for IRA beneficiaries <http://go.usa.gov/9b64> #IRS