

Accepting Regular and Spousal IRA Contributions

	Traditional	Roth
Eligibility	<ul style="list-style-type: none"> Must have taxable compensation Has not attained 70½ year 	<ul style="list-style-type: none"> Must have taxable compensation Modified adjusted gross income (MAGI) must be within prescribed limits (See chart below*)
Limits	<p>Single filer Lesser of</p> <ul style="list-style-type: none"> \$5,500 (\$6,500 if age 50 or older in the year of contribution), or the individual's taxable compensation for the year. <p>Married individual filing a joint return Lesser of</p> <ul style="list-style-type: none"> \$5,500 (\$6,500 if age 50 or older in the year of contribution), or the married couple's taxable compensation for the year minus any regular/spousal contributions (Traditional and/or Roth) for the year made for his/her spouse. 	
Funding Deadline	Tax return due date <i>not including extensions</i>	

* Roth IRA Contribution MAGI Phase-Out Ranges	2013	2014
Single Individuals	\$112,000 - \$127,000	\$114,000 - \$129,000
Married, Filing a Joint Federal Income Tax Return	\$178,000 - \$188,000	\$181,000 - \$191,000
Married, Filing a Separate Income Tax Return	\$0 - \$10,000	\$0 - \$10,000

Calculating a Phase-Out Amount

If an IRA owner's MAGI falls within the Roth IRA Contribution phase-out ranges, he or she is only entitled to a partial Roth IRA contribution. The partial contribution can be calculated using the following formula

$$\frac{(\text{Upper MAGI threshold} - \text{actual MAGI})}{\text{Maximum} - \text{minimum MAGI thresholds}} \times \text{Maximum contribution amount for the year (including catch-up contribution, if age eligible)} = \text{Maximum Roth IRA Contribution}$$

Example: Jim, who is age 56, is married filing a joint federal income tax return. He and his wife Mary have \$187,000 MAGI in 2014. Jim's reduced contribution amount would be figured as follows:

$$\frac{(\$191,000 - \$187,000)}{\$191,000 - \$181,000} \times \$6,500 = \$2,600$$

The instructions are included <http://www.irs.gov/pub/irs-pdf/p590.pdf>



☐ CORRECTED (if checked)

TRUSTEE'S or ISSUER'S name, street address, city, state, and ZIP code		1 IRA contributions (other than amounts in boxes 2-4, 8-10, 13a, and 14a)	OMB No. 1545-0747		IRA Contribution Information 2013 Form 5498
		2 Rollover contributions			
		3 Roth IRA conversion amount	4 Recharacterized contributions		
TRUSTEE'S or ISSUER'S federal identification no.	PARTICIPANT'S social security number	5 Fair market value of account	6 Life insurance cost included in box 1		Copy B For Participant
PARTICIPANT'S name		7 IRA <input type="checkbox"/> SEP <input type="checkbox"/> SIMPLE <input type="checkbox"/> Roth IRA <input type="checkbox"/>			This information is being furnished to the Internal Revenue Service.
		8 SEP contributions	9 SIMPLE contributions		
Street address (including apt. no.)		10 Roth IRA contributions	11 If checked, required minimum distribution for 2012. <input type="checkbox"/>		
		12a RMD date	12b RMD amount		
City, state, and ZIP code		13a Postponed contribution	13b Year	13c Code	
		14a Repayments	14b Code		
Account number (see instructions)					

Form **5498** (keep for your records) Department of the Treasury - Internal Revenue Service



Notes:

