

[11] Retirement Savings: Here's some good news for retirees: The IRS updated the table used to calculate required minimum distributions (RMDs) to account for longer life expectancies beginning in 2022. That means RMDs should be a bit smaller starting in 2022 than they were before.

For people who are still saving for retirement, many key dollar limits on retirement plans and IRAs are higher in 2022. For example, the maximum contribution limits for 401(k), 403(b) and 457 jumps from \$19,500 to \$20,500 for 2022, while people born before 1973 can once again put in \$6,500 more as a "catch-up" contribution. The 2022 cap on contributions to SIMPLE IRAs is \$14,000 (\$13,500 in 2021), plus an extra \$3,000 for people age 50 and up.

The 2022 contribution limit for traditional IRAs and Roth IRAs stays steady at \$6,000, plus \$1,000 as an additional catch-up contribution for individuals age 50 and up. However, the income ceilings on Roth IRA contributions went up. Contributions phase out in 2022 at adjusted gross incomes (AGIs) of \$204,000 to \$214,000 for couples and \$129,000 to \$144,000 for singles (up from \$198,000 to \$208,000 and \$125,000 to \$140,000, respectively, for 2021).

Deduction phaseouts for traditional IRAs also start at higher levels in 2022, from AGIs of \$109,000 to \$129,000 for couples and \$68,000 to \$78,000 for single filers (up from \$105,000 to \$125,000 and \$66,000 to \$76,000 for 2021). If only one spouse is covered by a plan, the phaseout zone for deducting a contribution for the uncovered spouse starts at \$204,000 of AGI and ends at \$214,000 (they were \$198,000 and \$208,000 for 2021).