



Mercer projects 2022 IRA and saver's credit limits

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Mercer has projected 2022 limits for individual retirement accounts (IRAs) and the saver's credit. These unofficial 2022 limits are determined using the Internal Revenue Code (IRC)'s cost-of-living adjustment methods, [chained Consumer Price Index for All Urban Consumers](#) (chained CPI) values through July and Mercer's projected chained CPI for August. IRS usually announces official limits for these benefits in October or November, along with final limits for qualified retirement plans.

Traditional and Roth IRA limits

Despite the unusually large increase in chained CPI for the year (3.1% for the 11 months ending July 2021), maximum 2022 deductions for traditional IRA contributions are projected to remain at 2021 levels due to the IRC's rounding rules. Adjusted gross income (AGI) phaseout thresholds for Roth IRA contributions and a qualified plan participant's deductible traditional IRA contributions are more sensitive to inflation and are expected to rise by the equivalent of several years' worth of typical increases. The catch-up contribution limit isn't annually adjusted. The AGI thresholds for spouses filing separately are set to \$0.

Traditional and Roth IRA limits	Projected 2022	2021
Traditional IRA deduction limits (IRC §§ 219(b)(5) and 219(g)(3)(B))		
IRA maximum deductible amount	\$6,000	\$6,000
IRA catch-up contribution limit*	1,000	1,000
Modified AGI threshold for determining deductible IRA contributions for active participants in qualified plans		
Married filing jointly or qualifying widow(er)	109,000	105,000
Married filing separately*	0	0
Single or head of household	68,000	66,000
Spouse (but not taxpayer making IRA contribution) is active participant	204,000	198,000

Traditional and Roth IRA limits	Projected 2022	2021
Roth IRA contribution limits (IRC § 408A(c)(3)(B)(ii))		
AGI for determining maximum Roth IRA contribution		
Married filing jointly or qualifying widow(er)	\$204,000	\$198,000
Married filing separately*	0	0
Other filing status	129,000	125,000

* Limit is not adjusted for cost-of-living changes.

Saver's credit

AGI levels at which employee contributions to a qualified retirement plan or an IRA qualify for saver's credit are all expected to increase significantly in 2022, due to the high level of inflation since last September.

Saver's credit AGI thresholds (IRC § 25B)	Projected 2022	2021
50% saver's credit if AGI is no more than specified amount		
Married filing jointly	\$41,000	\$39,500
Head of household	30,750	29,625
Other filing status	20,500	19,750
20% saver's credit if AGI exceeds threshold for 50% credit but is no more than specified amount		
Married filing jointly	44,000	43,000
Head of household	33,000	32,250
Other filing status	22,000	21,500
10% saver's credit if AGI exceeds threshold for 20% credit but is no more than specified amount		
Married filing jointly	68,000	66,000
Head of household	51,000	49,500
Other filing status	34,000	33,000

Related resources

Non-Mercer resources

- [Chained Consumer Price Index for All Urban Consumers](#) (Bureau of Labor Statistics)

Mercer Law & Policy resources

- [Quick benefit facts for 2021](#) (Jan. 21, 2021)
- [Summary of 2021 benefit-related cost-of-living adjustments](#) (Jan. 21, 2021)

- [Quick benefit facts and COLA resources for benefit plans \(2017–2021\)](#)

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