

Retirement Savings Contributions Credit (Saver's Credit)

Who's eligible for the credit?

You're eligible for the credit if you're:

1. Age 18 or older;
2. Not a full-time student; and
3. Not claimed as a dependent on another person's return.

Amount of the credit

The amount of the credit is 50%, 20% or 10% of your retirement plan or IRA contributions up to \$2,000 (\$4,000 if married filing jointly), depending on your adjusted gross income (reported on your Form 1040 or 1040A). Use the chart below to calculate your credit.

*Single, married filing separately, or qualifying widow(er)

2018 Saver's Credit			
Credit Rate	Married Filing Jointly	Head of Household	All Other Filers*
50% of your contribution	AGI not more than \$38,000	AGI not more than \$28,500	AGI not more than \$19,000
20% of your contribution	\$38,001 - \$41,000	\$28,501 - \$30,750	\$19,001 - \$20,500
10% of your contribution	\$41,001 - \$63,000	\$30,751 - \$47,250	\$20,501 - \$31,500
0% of your contribution	more than \$63,000	more than \$47,250	more than \$31,500

Retirement savings eligible for the credit

The Saver's Credit can be taken for your contributions to a traditional or Roth IRA; your 401(k), SIMPLE IRA, SARSEP, 403(b), 501(c)(18) or governmental 457(b) plan; and your voluntary after-tax employee contributions to your qualified retirement and 403(b) plans.

Rollover contributions (money that you moved from another retirement plan or IRA) aren't eligible for the Saver's Credit. Also, your eligible contributions may be reduced by any recent distributions you received from a retirement plan or IRA.

Example: Jill, who works at a retail store, is married and earned \$37,000 in 2017. Jill's husband was unemployed in 2017 and didn't have any earnings. Jill contributed \$1,000 to her IRA in 2017. After deducting her IRA contribution, the adjusted gross income shown on her joint return is \$36,000. Jill may claim a 50% credit, \$500, for her \$1,000 IRA contribution.