Catch-Up Contributions 2025 and 2026

If you're 50+ and want to make catch-up contributions, here's what you need to know about how they work, contribution limits, and a new Roth requirement for high-income earners.

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Key takeaways

- Catch-up contributions allow investors age 50+ to save beyond standard IRS limits, making them one of the most powerful tools for accelerating retirement savings.
- Starting in 2026, higher earners who made more than $150,000 in the prior year must make catch-up contributions on a Roth basis in employer-sponsored retirement plans.
- If you don't have access to a Roth 401(k), options like Roth IRAs or backdoor Roth conversions may help you continue building tax-advantaged savings.

If you're an investor age 50 or older looking to make "catch-up" contributions to a retirement plan, here's what you need to know about catch-up contributions for 2025 and 2026—including how they work, contribution limits, and how a new Roth catch-up requirement for high-income earners could affect you.

What are catch-up contributions?

Catch-up contributions are extra money you can contribute to your retirement account, beyond the annual elective deferral limits set each calendar year by the IRS, if you're age 50 or older.

Catch-up contributions allow you to save more money on top of the normal annual contribution limit, which can be especially beneficial as you near retirement age. These additional contributions can be particularly helpful for those who may have delayed saving for their retirement or are behind on their retirement savings goals.

If you have a 401(k), 403(b), 457(b) or similar workplace retirement plan, IRA, or SIMPLE IRA, and are age 50 or older, you can make catch-up contributions to your retirement account(s).

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What's a "super" catch-up contribution?

A super catch-up contribution, originating from the SECURE 2.0 Act of 2022, is a higher catch-up contribution amount that's available to you if you're age 60 to 63 and are enrolled in a participating retirement plan. Super catch-up contributions are designed to help those age 60 to 63 maximize their savings as they get closer to retirement.

How do catch-up contributions work?

In order to make catch-up contributions, you must meet eligibility requirements. Eligible participants must be age 50 or older (age 60 to 63 for super catch-up contributions) by December 31 to qualify for catch-up contributions as eligibility begins *the year* you turn 50.

Catch-up contributions can be made on top of the annual contribution limit set by the IRS (see below for account specific contribution limits). Each retirement account has their individual contribution and catch-up contribution limits, rules, and provisions that apply. If you hold more than one type of retirement account and meet eligibility requirements, you can potentially make catch-up contributions to both accounts, as long as you don't exceed contribution limits and conditions that apply for each account type.

As with standard retirement plan contributions, catch-up contributions can generally be made on a traditional or Roth basis; however, due to a provision out of SECURE 2.0, high-income earners who make more than $150,000 in wages from the prior year are required to make their catch-up contributions as Roth (after-tax) beginning on January 1, 2026. *More on the SECURE 2.0 Roth catch-up requirement below*.

Example of catch-up contributions for someone with a 401(k) and IRA

Let's look at a practical example to illustrate how catch-up contributions work for someone who holds a 401(k) and an IRA and meets the eligibility requirements. Say you turn 50 in

March 2026 and made $100,000 last year. Beginning on January 1, 2026, you can begin making catch-up contributions to your 401(k) and IRA. For 2026, you can make a 401(k) catch-up contribution of $8,000 on top of the annual deferral limit of $24,500 for a total contribution amount of $32,500; In your IRA, for 2026, you can make a catch-up contribution of $1,100 on top of the annual deferral limit of $7,500 for a total contribution amount of $8,600.

Catch-up contribution limits

Each year, the IRS announces annual contribution limits for each type of retirement account. The limits are typically set based on the type of retirement account, the individual's age (different ages have different contribution limits), inflation, and in some cases, the limits are based on income.

2025 401(k) contribution limits*

	Standard Contribution Limit	Catch-up Contribution Limit	Total Contribution Limit
Under 50	$23,500	N/A	$23,500
Age 50-59, 64+	$23,500	$7,500	$31,000
Age 60-63	$23,500	$11,250	$34,750

Disclosures:

* *Also applies to Roth 401(k), 457(b), and 403(b) plans.*

Source: IRS.gov. For illustration purposes only.

2026 401(k) contribution limits*

	Standard Contribution Limit	Catch-Up Contribution Limit	Total Contribution Limit
Under 50	$24,500	N/A	$24,500
Age 50-59, 64+	$24,500	$8,000	$32,500
Age 60-63	$24,500	$11,250	$35,750

Disclosures:

**Also applies to Roth 401(k), 457(b), and 403(b) plans.*

Source: IRS.gov. For illustration purposes only.

2025 IRA contribution limits

	Standard Contribution Limit	Catch-up Contribution Limit	Total Contribution Limit
Under 50	$7,000	N/A	$7,000
Age 50 and older	$7,000	$1,000	$8,000

Source:

IRS.gov. For illustration purposes only.

2026 IRA contribution limits

	Standard Contribution Limit	Catch-up Contribution Limit	Total Contribution Limit
Under 50	$7,500	N/A	$7,500
Age 50 and older	$7,500	$1,100	$8,600

Source:

IRS.gov. For illustration purposes only.

2025 SIMPLE IRA Contribution limits**

	Standard Contribution Limit	Catch-up Contribution Limit	Total Contribution Limit
Under 50	$16,500	N/A	$16,500
Age 50-59, 64+	$16,500	$3,500	$20,000
Age 60-63	$16,500	$5,250	$21,750

Disclosures:

**Companies with 25 or fewer employees can contribute even more per a SECURE 2.0 provision. For 2025, the limits are $17,600 for those under 50, a catch-up contribution amount of $3,850 for those age 50-59 and 64+. The super catch-up contribution is not changed at $5,250 for those age 60-63.

Source: IRS.gov. For illustration purposes only.

2026 SIMPLE IRA Contribution limits†

	Standard Contribution Limit	Catch-up Contribution Limit	Total Contribution Limit
Under 50	$17,000	N/A	$17,000
Under 50-59, 64+	$17,000	$4,000	$21,000
Age 60-63	$17,000	$5,250	$22,250

Disclosures:

†Companies with 25 or fewer employees can contribute even more per a SECURE 2.0 provision. For 2026, the limits are $18,100 for those under 50, a catch-up contribution amount of $4,000 for those age 50-59 and 64+. The super catch-up contribution is not changed at $5,250 for those age 60-63.

Source: IRS.gov. For illustration purposes only.

SECURE 2.0 Roth catch-up requirement beginning in 2026

Beginning in 2026, the SECURE 2.0 Act is mandating a change in how higher-earners age 50 and over make catch-up contributions to their employer-sponsored plans.

Here's how the new rule will work:

- Beginning on January 1, 2026, workers who are 50 (by December 31) or older who earned more than $150,000 in FICA wages in the prior year will need to make any catch-up contributions on a Roth basis.

Note: For 2026, if you're a high-earner age 50 or older, you can choose to make pre-tax and/or Roth contributions to your retirement account up to the $24,500 limit; however, any catch-up contributions must be made to a Roth account.

Those making $150,000 or less in the prior year can continue making catch-up contributions to their regular pre-tax and/or Roth 401(k)s.

Note: The Roth catch-up requirement only impacts employer-sponsored retirement plans. IRAs are not currently impacted by this rule.

Roth refresher

Making a Roth contribution means the contributions are made on an after-tax basis.

How do Roth contributions impact your taxes and paycheck?

- You don't get a tax deduction up-front which may result in a higher income tax bill
- Qualified withdrawals in retirement will be tax-free
- Your net paycheck is reduced because your payroll deduction is taken after income taxes are withheld

Roth contributions can potentially be beneficial for investors who:

- Haven't been able to make Roth IRA contributions because of income limitations
- Want to minimize taxable income during retirement years
- Seek more tax-free withdrawals in retirement with no required minimum distributions
- Want to have more estate-planning options in the future to transfer money to heirs without tax obligations

The Roth catch-up rule for high earners was initially supposed to take effect in 2024, which could've been a problem for those without access to a Roth 401(k). However, the IRS decided to grant a two-year transition period, giving savers, employers, and retirement plan administrators more time to prepare for the Roth catch-up contribution rule to go into effect. As a result, all plan participants 50 and older will be allowed to continue making catch-up contributions to their regular tax-deferred 401(k)s until December 31, 2025, regardless of income. And the new Roth catch-up contribution requirement for those earning more than $150,000 in the prior year goes into effect on January 1, 2026.

What should I do if I'm impacted by the Roth catch-up requirement?

When you receive your 2025 Form W-2 in early 2026, review Box 3 to see if your wages (earnings as defined by Social Security FICA wages) exceeded $150,000. If they did, check with your retirement plan sponsor or provider for specifics on how your Roth catch-up contributions will work for your specific plan.

Consider working with a tax professional or financial advisor to determine what type or types of contributions are required or are the best fit for your specific situation.

What if I don't have access to a Roth 401(k) for my catch-up contributions?

For those who are interested in after-tax Roth 401(k) contributions, more employers than ever now offer Roth 401(k) accounts. However, if your retirement plan does not currently offer a Roth 401(k) account, you still have several options such as:

- **Contributing your catch-up amount to a Roth IRA**
  Assuming your income is under the IRS income threshold, you could consider making contributions to a Roth IRA. For 2025, the annual maximum IRA contribution is $8,000—which includes a $1,000 catch-up contribution—if you're 50 or older. For 2026, the annual maximum IRA contribution increased to $7,500, plus an increase to the catch-up contribution to $1,100, for a total limit of $8,600.

- **A Roth conversion**
  If your income is too high to contribute to a Roth IRA, you could consider a backdoor Roth conversion. You'll need to have a traditional IRA and a Roth IRA to make this work. First, you make after-tax contributions up to the annual maximum to a traditional IRA (make sure to file IRS Form 8606 every year you do this). Then, transfer the assets from the traditional IRA to the Roth IRA. You can make this transfer/conversion at any point in the future.
  The conversion triggers income tax on any appreciation of the after-tax contributions—but once in the Roth IRA, earnings compound tax-free. Earnings distributed from the Roth IRA are also tax-free, as long as you're 59½ or older and have held the Roth for at least five years. (Note that each conversion amount is subject to its own five-year holding period as it relates to tax-free withdrawals.)

If you have no other IRAs, figuring out the tax due on the conversion will be simple. However, it can be more complicated if you have multiple IRAs. The IRS pro-rata rule requires you to include all your traditional IRA assets when determining the taxable potion of a conversion—that means your IRAs funded with pre-tax (deductible) contributions as well as those funded with after-tax (nondeductible) contributions are counted. Then, you pay a proportional amount of taxes on the original account's pre-tax contributions and earnings.

Let's look at an example. Say you contribute $6,000 to a non-deductible traditional IRA. You also have a pre-tax IRA worth $94,000. In this case, 94% of any conversion would be taxable.

Here's the math:

Total value of both IRA accounts = $100,000

Pre-tax contributions = $94,000

After-tax contribution = $6,000

$6,000 ÷ $100,000 (expressed as percentage) = 6%

$6,000 (the amount converted) x 6% = $360 tax free

$6,000 – $360 = $5,640 subject to income tax

Note: Although this strategy has existed for many years, the IRS hasn't weighed in on it definitively, so it's highly recommended that you work with a tax advisor.

Bottom line: Make the most of your catch-up contributions

As contribution limits rise and SECURE 2.0 brings new Roth requirements, investors age 50 and older have more ways to strengthen their long-term retirement strategy. Whether through employer-sponsored plans, IRAs, or Roth options, catch-up contributions can play a significant role in helping you stay on track.

Understanding how the changing rules affect your contributions—and how different account types fit into your tax picture—can help you make informed decisions as you approach retirement. Work with a professional to get tax advice tailored to your personal situation to help ensure you're making the most of the IRS limits and opportunities available to you.

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Roth IRA conversions require a 5-year holding period before earnings can be withdrawn tax free and subsequent conversions will require their own 5-year holding period. In addition, earnings distributions prior to age 59 1/2 are subject to an early withdrawal penalty.

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