IRS Announces 2025 Roth IRA Income Limits

By Partners Wealth Management

The IRS has announced the contribution and income limits for Roth Individual Retirement Accounts (IRAs) for 2025.

For 2025, the maximum contribution limit to Roth IRAs remains at $7,000, the same as in 2024, according to the IRS's announcement. Catch-up contributions for individuals aged 50 and older also remain unchanged at $1,000.

However, income thresholds for taxpayers eligible to make Roth contributions have increased.

Additionally, the IRS revealed updated 401(k) contribution limits and catch-up contribution limits for savers aged 50 and above.

2025 Roth IRA Income Phaseout Ranges

To contribute the maximum amount to a Roth IRA, your modified adjusted gross income (MAGI) must fall below specific thresholds, which have been updated for 2025:

- Single or Head of Household: The income phaseout range for Roth IRA contributions has increased to $150,000–$165,000, up from $146,000–$161,000. Individuals with a MAGI below $150,000 can contribute the full amount, while those with a MAGI above $165,000 are not eligible to contribute. Partial contributions are allowed within the phaseout range.
- Married Filing Jointly: The phaseout range has risen to $236,000–$246,000, compared to $230,000–$240,000 in 2024. Couples with a MAGI below $236,000 can contribute the full amount, and no contributions are permitted for MAGI above $246,000. Partial contributions are allowed within the phaseout range.
- Married Filing Separately: The phaseout range remains unchanged at $0–$10,000, as it is not subject to annual cost-of-living adjustments, according to the IRS.

High earners may bypass Roth IRA income limits through mega backdoor Roth conversions, which involve transferring after-tax 401(k) contributions into a Roth account. However, this strategy is not permitted by all 401(k) plans.

This IRS update follows the agency's recent announcement of dozens of inflation adjustments for 2025. These include updates to federal income tax brackets, higher capital gains thresholds, an increased estate and gift tax exemption, and revised eligibility criteria for the earned income tax credit, among other changes.