IRAs & Roth IRAs

Spousal IRA Contributions

Questions & Answers

Purpose. This brochure explains the special rules and considerations applying to spousal contributions made to a traditional IRA and/or Roth IRA.

What is a spousal contribution?

It is a special type of regular or annual contribution. A spousal contribution is an IRA contribution made by or for a married individual.

In a broader sense, spousal IRA contributions are those IRA contributions made by a couple to their respective IRAs in such a way as will maximize their joint tax benefits.

What rule impacts spousal IRA contributions for 2025 and 2026?

Commencing for tax year 2020 the rule that a person is ineligible to make a traditional IRA contribution if the person is age 70½ or older has been repealed. In 2025 and 2026 a person who has compensation is eligible to make a traditional IRA contribution regardless of age. And a person who is married to a person who has compensation is eligible to make a traditional IRA contribution regardless of age and the fact he or she has the lesser compensation.

Must I be married to make a spousal IRA contribution?

Yes. You must be married as of December 31 of the year for which the contribution is made.

Must my spouse make the spousal IRA contribution to my IRA?

No. The basic legal concept used to be that the compensated spouse made a spousal contribution on behalf of his or her non-working spouse. The legal concept now is, the non-working or lower-income spouse makes a contribution for himself or herself based on the spouse's compensation, along with his or her own compensation.

Must I designate my spouse as my beneficiary of this IRA?

The general answer is "no." Unlike many types of employer-sponsored pension plans, you are not required by federal law to designate your spouse as your IRA beneficiary. State laws govern however, and in those states with community property laws or marital property laws, your spouse does have a property right to a portion of your IRA.

What constitutes compensation (i.e. earned income) so an IRA contribution can be made?

Earned income means wages, salary, professional fees, and other amounts received in exchange for personal services rendered. It includes such things as bonuses, commissions, tips, self-employment and taxable alimony. It also includes non-taxable military combat pay. It does not include interest, dividends, pension payments, deferred payments, social security payments, or rental payments.

What are the maximum contribution limits for 2025-2026?

$7,000 for 2025 and $7,500 for 2026 if you are not age 50 as of December 31 and,
$8,000 for 2025 and $8,600 for 2026 if you are age 50 or older as of December 31.

May my spouse or I use the spousal IRA contribution rules to make a contribution to our respective traditional IRAs?

Yes. If either you (or your spouse) has compensation less than $7,000/$8,000 for 2025, then you (or your spouse) are allowed to make a contribution for such year(s) based on the other's compensation. You (or your spouse) will be eligible to make a spousal contribution to a traditional IRA if the following rules are satisfied:

- You and your spouse must each have your own IRA.
- You must be married as of the end of the tax year (i.e. December 31).
- You must file a joint income tax return.
- You must have compensation includible in gross income which is less than that of your spouse.

Your annual traditional IRA contribution will be limited to the lesser of (1) the applicable limit; (2) the sum of your compensation which is includible in gross income for such year plus the compensation of your spouse, as reduced by your spouse's contribution to his or her own traditional IRA and Roth IRA. In addition, when your Roth IRA contribution is aggregated with your traditional IRA contributions and with the contributions of your spouse, the maximum permissible amount for all IRAs will be the lesser the applicable limits, or 100% of your combined incomes.

Do the spousal contribution rules allow one spouse to make a larger contribution?

Yes. Example. Jane Thomas has compensation of $35,000 for 2025 and her husband David has compensation $2,500. Jane is age 53 and David is age 48. Their combined adjusted gross income will be $84,000 as David receives dividend income of $46,500.

For 2025, David is eligible to contribute $7,000 to his traditional IRA, or $7,000 to his Roth IRA or he may split the $7,000 between his two IRAs. Had he not been married, his contribution limit would be $2,500. David is allowed to use Jane's income to make a full $7,000 IRA contribution(s) for himself.

Can a spousal contribution be made to either a traditional IRA or a Roth IRA?

Yes. You may make a spousal IRA contribution to one or more traditional IRAs and/or Roth IRAs.

May I make a spousal contribution one year, and a regular contribution the next year? Yes.

What is my deadline for making a spousal IRA contribution?

You have until the due date for filing your federal tax return, normally April 15, to establish and fund your IRA for the previous tax year. Obtaining an extension for your tax-filing deadline does not extend the IRA contribution deadline.

May I make a spousal contribution to my traditional IRA if my compensated spouse is over age 73 but I am younger than 73?

Yes, but your spouse must have qualifying compensation.

How much of my IRA contributions to a traditional IRA will be deductible?

The answer depends upon your tax-filing status, the tax year, whether or not you or your spouse is covered by an employer-sponsored retirement plan at work, and your combined modified adjusted gross income (AGI). The amount you can deduct, in general, is the applicable contribution limit as reduced by the amount you cannot deduct. See the IRA contribution deductibility chart.

IRA Contribution Deductibility Chart for 2025

(for participants and/or spouses in employer-sponsored retirement plans.)

Amount of Modified AGI - (Combined modified AGI if married)

Single or Head of Household

Below $79,000 or less	Entitled to full deduction
$79,001-$88,999.99	Entitled to prorated deduction amount - use special formula**
$89,000 or more	No deduction permissible

**Explanation of special formula. Multiply the permissible contribution by the following ratio: amount of adjusted gross income in excess of $79,000/$10,000. This will give you a ratio that determines the amount you cannot deduct.*

Married - joint return, both are covered or qualifying widower

Below $126,000 or less	Entitled to full deduction
$126,001 - $145,999.99	Entitled to prorated deduction amount - use special formula**
$146,000 or more	No deduction permissible

**Explanation of special formula. Multiply the permissible contribution by the following ratio: amount of adjusted gross income in excess of $126,000/$20,000. This will give you a ratio that determines the amount you cannot deduct.*

Married - joint return, but only you are covered or qualifying widower

Below $126,000 or less	Fully Deductible
$126,001-$145,999.99	Entitled to prorated deduction amount - use special formula**
$146,000 or more	No deduction permissible

**Explanation of special formula. Multiply the permissible contribution by the following ratio: amount of adjusted gross income in excess of $126,000/$20,000. This will give you a ratio that determines the amount you cannot deduct.*

Married - joint return, but only your spouse is covered

Below $236,000 or less	Fully Deductible
$246,001-$255,999.99	Entitled to prorated deduction amount - use special formula**
$256,000 or more	No deduction permissible

**Explanation of special formula. Multiply the permissible contribution by the following ratio: amount of adjusted gross income in excess of $236,000/$10,000. This will give you a ratio that determines the amount you cannot deduct.*

Married Filing Separately

Below $10,000	Entitled to prorated deduction amount - use special formula**
$10,000 or more	No deduction permissible

**Explanation of special formula. Multiply the permissible contribution by the following ratio: amount of adjusted gross income in excess of $0/$10,000. This will give you a ratio that determines the amount you cannot deduct.*

*Any amount determined under this formula which is not a multiple of $10 shall be rounded to the next lowest $10.

However, an IRA accountholder will be able to deduct a minimum of $200 as long as his or her AGI is not above the phase-out range (base amount plus $10,000).

IRA Contribution Deductibility Chart for 2026

(for participants and/or spouses in employer-sponsored retirement plans.)

Amount of Modified AGI - (Combined modified AGI if married)

Single or Head of Household

Below $81,000 or less	Entitled to full deduction
$81,001-$90,999.99	Entitled to prorated deduction amount - use special formula**
$91,000 or more	No deduction permissible

**Explanation of special formula. Multiply the permissible contribution by the following ratio: amount of adjusted gross income in excess of $81,000/$10,000. This will give you a ratio that determines the amount you cannot deduct.*

Married - joint return, both are covered or qualifying widower

Below $129,000 or less	Entitled to full deduction
$129,001 - $148,999.99	Entitled to prorated deduction amount - use special formula**
$149,000 or more	No deduction permissible

**Explanation of special formula. Multiply the permissible contribution by the following ratio: amount of adjusted gross income in excess of $129,000/$20,000. This will give you a ratio that determines the amount you cannot deduct.*

Married - joint return, but only you are covered or qualifying widower

Below $129,000 or less	Fully Deductible
$129,001-$148,999.99	Entitled to prorated deduction amount - use special formula**
$149,000 or more	No deduction permissible

**Explanation of special formula. Multiply the permissible contribution by the following ratio: amount of adjusted gross income in excess of $129,000/$20,000. This will give you a ratio that determines the amount you cannot deduct.*

Married - joint return, but only your spouse is covered

Below $242,000 or less	Fully Deductible
$242,001-$251,999.99	Entitled to prorated deduction amount - use special formula**
$252,000 or more	No deduction permissible

**Explanation of special formula. Multiply the permissible contribution by the following ratio: amount of adjusted gross income in excess 242,000/$10,000. This will give you a ratio that determines the amount you cannot deduct.*

Married Filing Separately

Below $10,000	Entitled to prorated deduction amount - use special formula**
$10,000 or more	No deduction permissible

**Explanation of special formula. Multiply the permissible contribution by the following ratio: amount of adjusted gross income in excess of $0/$10,000. This will give you a ratio that determines the amount you cannot deduct.*

*Any amount determined under this formula which is not a multiple of $10 shall be rounded to the next lowest $10.

However, an IRA accountholder will be able to deduct a minimum of $200 as long as his or her AGI is not above the phase-out range (base amount plus $10,000).

Opportunity Missed by Many Married Couples

If you are a married person who is not covered by a retirement plan at work, you may well be entitled to deduct your IRA contribution even though your spouse is covered by a retirement plan. See the "Married - joint return, but only your spouse is covered" section of the chart. For example, your spouse earns $77,000 and participates in a 401(k) plan, and you earn $61,000, but you are not covered by any pension plan. You are age 56. If you contribute $8,000 in 2025 to your IRA, then you will be able to claim the full amount of $8,000 as a deduction on your joint returns as you are not an active participant and your combined income is less than the threshold amount. Many individuals mistakenly believe that he or she is ineligible to make a deductible IRA contribution when his or her spouse participates in a 401(k) plan.

THE ROTH IRA

Am I eligible to make an annual contribution to a Roth IRA?

You are eligible if you satisfy the following two requirements: (1) you have earned income or compensation; and (2) you meet certain income limitations. Be aware that you are eligible to make contributions to a Roth IRA even though you are age 73 or older.

If your income (and your spouse's income, if you are married) is too high, you will not be eligible to make a contribution to a Roth IRA. For 2025, if you are single, you become ineligible when your adjusted gross income is $165,000 or greater. If you are married, and file a joint return, you become ineligible when the combined adjusted gross income (AGI) of you and your spouse is $246,000 or greater. If you are married and file a separate return, you become ineligible when your adjusted gross income is $10,000 or greater.

For a given year, you may be ineligible to contribute to a Roth IRA, but still be eligible to contribute to a traditional IRA .

May I contribute to a Roth IRA even though I'm making 401(k) elective deferral contributions?

Yes, you may make both types of contributions. In general, the amount you contribute to your Roth IRA is independent of any amount you contribute to the 401(k) plan in which you participate.

How much am I eligible to contribute to my Roth IRA for the 2025 tax years if I will NOT be at least age 50 as of December 31?

For 2025 you are eligible to contribute the lesser of 100% of your compensation, or $7,000 as reduced by (1) application of the special income and filing status limitation rule and (2) any amount you contributed to your traditional IRA for the same tax year.

How much am I eligible to contribute to my Roth IRA for the 2025 tax years if I will be at least age 50 as of December 31?

For 2025 you are also eligible to contribute the lesser of 100% of your compensation, or $8,000 as reduced by (1) application of the special income and filing status limitation rule and (2) any amount you contributed to your traditional IRA for the same tax year.

How is my allowable contribution to a Roth IRA calculated?

There is a special formula which must be used, as described in the "Roth IRA Contribution Chart." The formula is as follows:

$$\frac{\text{AGI-Threshold Level}}{\text{Phaseout Level - Threshold Level}} = \text{Ineligible Contribution \%}$$

2025 Limits Tax-Filing Status	**Threshold Level**	**Phaseout Level**
Single	$150,000	$165,000
Married/Joint Return	$236,000	$246,000
Married/Separate Return	$0	$10,000
2026 Limits Tax-Filing Status	**Threshold Level**	**Phaseout Level**
Single	$153,000	$168,000
Married/Joint Return	$242,000	$252,000
Married/Separate Return	$0	$10,000

The result is the percentage which cannot be contributed to the Roth IRA. You must then apply this percentage to the maximum contribution amount and then subtract this amount from the allowed contribution amount to get the amount which you can contribute.

The information provided in this brochure is not intended to be legal or tax advice. You should consult your attorney or tax advisor for information that relates to your specific circumstances.

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