

Be Aware of 'Catch-Up' Contribution Limits in 2021

If you're planning on making additional contributions to your retirement plans this year before beginning to cash out, be aware of the limits for 2021. Special catch-up contributions are allowed for individuals who are 50 years of age or over to help them boost retirement savings as they get closer to their retirement date. In 2021, the catch-up contribution amount for 401(k), 403(b) and some governmental 457 plans is \$6,500, which brings the total contribution limit up to \$26,000 for these individuals. The catch-up contribution amount for a SIMPLE 401(k) is \$3,000, which brings the total contribution limit up to \$16,500.

(Source: Go Banking

Rates) <https://www.gobankingrates.com/retirement/planning/planning-retire-2021-heres-need-know/>