

# Saver's Credit

## WHAT IS IT?

This credit provides special tax breaks for moderate to low-income families that are working towards saving for retirement.

Based on your income level and contributions to an eligible retirement account, this credit has the ability to reduce your tax bill to zero but will not refund you money.

Contributions up to \$2,000 (\$4,000 if married filing jointly), are eligible depending on your adjusted gross income, AGI, which is reported on Form 1040 or 1040A.

## DO I QUALIFY?

Qualifications for this credit are rather simple. To qualify, you must:

- Be 18+
- Not a full-time student
- Not be claimed as a dependent on someone else's return.

## WHAT DOES IT APPLY TO?

Eligible accounts include contributions to a 401(k), 403(b), 457 plan, Simple IRA, SEP IRA, Traditional IRA, and Roth IRA.

## HOW DO I CLAIM IT?

To claim the Saver's Credit, use Form 8880, "Credit for Qualified Retirement Savings Contributions."

## 2021 Saver's Credit

Credit Rate	Married Filing Jointly	Head of Household	All Other Filers*
50% of your contribution	AGI not more than \$39,500	AGI not more than \$29,625	AGI not more than \$19,750
20% of your contribution	\$39,501 - \$43,000	\$29,626 - \$32,250	\$19,751 - \$21,500
10% of your contribution	\$43,001 - \$66,000	\$32,251 - \$49,500	\$21,501 - \$33,000
0% of your contribution	more than \$66,000	more than \$49,500	more than \$33,000

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