

THE SAVER'S CREDIT

A Tax Credit for Qualifying Retirement Savers



What is the Saver's Credit?

The Saver's Credit gives a special tax break to qualified employees who are saving for retirement through a 401(k), 403(b), SIMPLE, SEP, or governmental 457(b) plan – like the MO Deferred Comp Plan – or a traditional IRA or Roth IRA. If you qualify, the Saver's Credit can reduce or even eliminate your tax bill; however, it cannot result in a tax refund. The amount of Saver's Credit you can receive is based on your adjusted gross income (AGI), filing status, and the amount you contributed to your retirement savings account.

For more information on the Saver's Credit, visit

www.irs.gov.

HOW MUCH COULD THE SAVER'S CREDIT CUT FROM YOUR TAX BILL?

Your Saver's Credit depends on your AGI, tax filing status, and total contributions. You may be eligible for a 50%, 20%, or 10% credit on the first \$2,000 you contribute during the year. Once your income reaches a certain threshold, you will no longer be eligible for the credit. The maximum credit amounts that can be claimed are:

- \$2,000, \$800, or \$400 for a married couple filing jointly; or
- \$1,000, \$400, or \$200 for a single filer or head of household.

How do you claim the Saver's Credit?

If you meet the qualifications listed below, you can claim the Saver's Credit by completing Form 8880 alongside your tax return or by speaking with your tax professional. To claim the credit, you will need your AGI as calculated on your income tax return and documentation of your total retirement account contributions for the year.

To claim the Saver's Credit, you must:

1. Be age 18 or over.
2. Not be a full-time student.
3. Not be claimed as a dependent on another person's tax return.
4. Have made contributions to a 401(k), 403(b), SIMPLE, SEP, or governmental 457(b) plan – like the MO Deferred Comp Plan – or a traditional IRA or Roth IRA within the tax year you are filing.
5. Meet the annual income requirements as shown in the chart below.

IMPORTANT: If you or your spouse withdrew money from your retirement savings account two years prior to the date of filing your tax return, that distribution may reduce the amount of Saver's Credit you could receive.

2026 Saver's Credit Income Limits

CREDIT RATE	MARRIED FILING JOINTLY	HEAD OF HOUSEHOLD	ALL OTHER FILERS*
50% of your contribution	AGI not more than \$48,500	AGI not more than \$36,375	AGI not more than \$24,250
20% of your contribution	\$48,501 - \$52,500	\$36,376 - \$39,375	\$24,251 - \$26,250
10% of your contribution	\$52,501 - \$80,500	\$39,376 - \$60,375	\$26,251 - \$40,250
0% of your contribution	More than \$80,500	More than \$60,375	More than \$40,250

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