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Abstract: Taxpayers preparing to file tax returns for 2023 may still have an opportunity to lower their tax bills. Those who are eligible can make tax-deductible contributions to traditional IRAs right up until this year's April 15 tax-filing deadline, and benefit from the tax savings on their 2023 returns.

There may still be time to lower your 2023 tax bill

If you're preparing to file your 2023 tax return and expecting a tax bill, you may still be able to lower it — or even claim a refund. If you qualify, you can make a deductible contribution to a traditional IRA right up until the original filing deadline, April 15, 2024, and see tax savings on your 2023 return.

For eligible taxpayers, the 2023 contribution limit has increased to $6,500, or $7,500 for taxpayers aged 50 and up. If you're a small business owner, you can establish and contribute to a Simplified Employee Pension (SEP) plan up to the extended due date of your return. The maximum SEP contribution you can make for 2023 is $66,000**.**

What determines eligibility? To make a deductible contribution to a traditional IRA, you (and your spouse) must not be active participants in an employer-sponsored retirement plan, unless your 2023 modified adjusted gross income falls within these limits:

- For single taxpayers covered by a workplace plan, the income phaseout range is $73,000 to $83,000.
- For a married couple filing jointly, where the spouse making IRA contributions is covered by a workplace plan, the income phaseout range is $116,000 to $136,000. If the spouse making the IRA contributions isn't covered by a workplace plan but his or her spouse is, the phaseout range is $218,000 to $228,000.
- For a married individual, filing separately, with you or your spouse covered by a workplace plan, the phaseout range is $0 to $10,000.

Contact us if you want more information about this important topic. We can help you save the maximum tax-advantaged amount for retirement.