New for 2027: The Saver's Match

The federal government will add up to $1,000 a year to your retirement account

Starting with 2027 contributions, the **Saver's Match** replaces the Saver's Credit. Instead of a tax credit, the government deposits a match **directly into your retirement account**, even if you owe no tax. Some clients have received IRS letter **CP321J** about it. That letter is not a bill and does not require a reply.

How it works

- The match is **50% of the first $2,000** you contribute each year, up to **$1,000 per person**. Married couples who both contribute can receive up to $2,000.
- Workplace plans (401(k), 403(b), 457) and IRAs can qualify.
- The full 50% applies at lower incomes, then phases down to zero:

Filing status	Full 50% match up to	No match at or above
Married filing jointly	$41,000	$71,000
Head of household	$30,750	$53,250
Single	$20,500	$35,500

Example: A single filer earning $28,000 who contributes $2,000 would receive about a 25% match, or $500.

Not eligible: anyone under age 18, full-time students, and anyone claimed as a dependent on another person's return.

What you can do now

- **Plan to save in 2027.** Contribute at least $2,000 per person to get the full match. Workplace plan contributions must be made by December 31, 2027. IRA contributions can be made up to the April 2028 filing deadline.
- **Make sure your account can receive the match.** Employers and IRA providers decide whether to accept it. Ask your plan administrator, or choose an IRA provider that participates. Treasury's TrumpIRA.gov site will list providers.
- **Talk to us before choosing a Roth IRA.** The match cannot go directly into a Roth IRA. If it is moved into one, that move is taxable.
- **Avoid retirement withdrawals.** Withdrawals in 2025 through early 2028, including a spouse's, can reduce or eliminate your match.
- **Bring your account information to your 2027 tax appointment.** We claim the match on your 2027 return, filed in 2028. The IRS deposits it after the return is processed.

Good to know

The match is not taxed when it is deposited. It is taxed when you withdraw it in retirement, just like other pre-tax retirement savings. If match money is withdrawn early, part of it may have to be paid back.

Questions? Call us at 218-338-6078 or message us through your client portal. We are happy to help you set up the right account before 2027 begins.

General information only, based on IRS guidance available as of November 2026 (Notice 2026-48). Rules may change as final regulations are issued. This is not tax advice for your specific situation. Please contact our office before acting.