By Jason Alderman

Benjamin Franklin once declared, "Nothing can be said to be certain, except death and taxes." Although I don't have any updates on the former, where taxes are concerned I do have news:

As it does every year, the Internal Revenue Service announced 2013 cost-of-living adjustments to many of the amounts you and your employer can contribute toward your retirement accounts. These new limits mean most people will be able to contribute more money in tax-advantaged accounts for their retirement savings.

Here are highlights of what will and won't change in 2013:

Defined contribution plans. The maximum allowable annual contribution you can make to workplace 401(k), 403(b), 457(b) and federal Thrift Savings plans increases by $500 to $17,500. Keep in mind these additional factors:

- People over 50 can also make an additional $5,500 in catch-up contributions (unchanged from 2012).
- The annual limit for combined employee and employer contributions increased by $1,000

to $51,000.

- Because your plan may limit the percentage of pay you can contribute, your maximum contribution may actually be less. (For example, if the maximum contribution is 10 percent of pay and you earn $50,000, you could only contribute $5,000.)

Individual Retirement Accounts (IRAs). The maximum annual contribution to IRAs increases by $500 to $5,500 (plus an additional $1,000 if 50 or older – unchanged from 2012). Maximum contributions to traditional IRAs are not impacted by personal income, but if your modified adjusted gross income (AGI) exceeds certain limits, the maximum amount you can contribute to a Roth IRA gradually phases out:

- For singles/heads of households the phase-out range is $112,000 to $127,000 (increased from $110,000 to $125,000 in 2012). Above $127,000, you cannot contribute to a Roth.
- For married couples filing jointly, the range is $178,000 to $188,000 (up from $173,000 to $183,000 in 2012).

Keep in mind these rules for deducting traditional IRA contributions on your federal tax return:

- If you're single, a head of household, a qualifying widow(er) or married and neither spouse is covered by an employer-provided retirement plan you can deduct the full IRA contribution, regardless of income.
- If you are covered by an employer plan and are single or a head of household, the tax deduction phases out for AGI between $59,000 and $69,000 (up from $58,000 to $68,000 in 2012); if married and filing jointly, the phase-out range is $95,000 to $115,000 (up from $92,000 to $112,000 in 2012).
- If you're married and aren't covered by an employer plan but your spouse is, the IRA deduction is phased out if your combined AGI is between $178,000 and $188,000 (up from $173,000 to $183,000 in 2012).
- For more details, read IRS Publication 590 at www.irs.gov .

Retirement Saver' Tax Credit: As an incentive to help low- and moderate-income workers save for retirement through an IRA or company-sponsored plan, many are eligible for a Retirement Savers' Tax Credit of up to $1,000 ($2,000 if filing jointly). This credit lowers your tax bill, dollar for dollar, in addition to any other tax deduction you already receive for your contribution.

Qualifying income ceiling limits for the Retirement Savers' Tax Credit increased in 2012 to $59,000 for joint filers, $44,250 for heads of household, and $29,500 for singles or married persons filing separately. Consult IRS Form 8880 for more information.