

ANNUAL COMPENSATION & CONTRIBUTION LIMITS FOR QUALIFIED RETIREMENT PLANS 2024



	2024	2023	2022	2021	2020	2019	2018	2017
401(k) and 403(b) Deferral Limit	\$23,000	\$22,500	\$20,500	\$19,500	\$19,500	\$19,000	\$18,500	\$18,000
457 Deferral Limit	\$23,000	\$22,500	\$20,500	\$19,500	\$19,500	\$19,000	\$18,500	\$18,000
401(k), 403(b), 457 Catch-Up Contribution Limit	\$7,500	\$7,500	\$6,500	\$6,500	\$6,500	\$6,000	\$6,000	\$6,000
SIMPLE Deferral Limit	\$16,000	\$15,500	\$14,000	\$13,500	\$13,500	\$13,000	\$12,500	\$12,500
SIMPLE Catch-Up Contribution Limit	\$3,500	\$3,500	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Annual Compensation Limit	\$345,000	\$330,000	\$305,000	\$290,000	\$285,000	\$280,000	\$275,000	\$270,000
Defined Benefit 415 Limit	\$275,000	\$265,000	\$245,000	\$230,000	\$230,000	\$225,000	\$220,000	\$215,000
Defined Contribution 415 Limit	\$69,000	\$66,000	\$61,000	\$58,000	\$57,000	\$56,000	\$55,000	\$54,000
Dollar Limit for HCEs	\$155,000	\$150,000	\$135,000	\$130,000	\$130,000	\$125,000	\$120,000	\$120,000
Dollar Limit for Key Employee	\$220,000	\$215,000	\$200,000	\$185,000	\$185,000	\$180,000	\$175,000	\$175,000
Social Security Taxable Wage Base	\$168,600	\$160,200	\$147,000	\$142,800	\$137,700	\$132,900	\$128,400	\$127,200

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Elective Deferral Limit: The maximum contribution that can be made on a pre-tax basis to a 401(k) or 403(b) plan of the Internal Revenue Code (IRC).

Annual Benefit Limit: The maximum annual benefit that can be paid to a participant (IRC section 415). The limit applied is actually the lesser of the dollar limit above or 100% of the participant's average compensation (generally, the highest three consecutive years of service). The participant compensation level is also subject to the Annual Compensation Limit.

Catch-Up Contributions, SIMPLE "Catch-Up" Deferral: Under the Economic Growth and Tax Relief Act of 2001 (EGTRRA), certain individuals aged 50 or over can make so-called 'catch-up' contributions, in addition to the above limits.

Annual Contribution Limit: The maximum annual contribution amount that can be made to a participant's account (IRC section 415). This limit is expressed as the lesser of the dollar limit or 100% of the participant's compensation, applied to the combination of employee contributions, employer contributions and forfeitures allocated to a participant's account.

In calculating contribution allocations, a plan cannot consider any employee compensation in excess of the **Annual Compensation Limit** (401(a)(17)). This limit is also imposed in determining the Annual Benefit Limit. In calculating certain nondiscrimination tests (such as the Actual Deferral Percentage), all participant compensation is limited to this amount, for purposes of the calculation.

457 Deferral Limit: A similar restriction, applied to certain government plans (457 plans).

Highly Compensated Threshold: The minimum compensation level established to determine highly compensated employees for purposes of nondiscrimination testing (section 414(q)(1)(B)).

SIMPLE Contribution Limit: The maximum annual contribution that can be made to a SIMPLE (Savings Incentive Match Plan for Employees) plan. SIMPLE plans are simplified retirement plans for small businesses that allow employees to make elective contributions, while requiring employers to make matching or nonelective contributions.

SEP Coverage Limit: The minimum earnings level for a self-employed individual to qualify for coverage by a Simplified Employee Pension plan (a special individual retirement account to which the employer makes direct tax-deductible contributions).

SEP Compensation Limit: Applied in determining the maximum contributions made to the plan.

EGTRRA also added the **top-heavy plan key employee compensation limit**.

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