

November 1, 2024

RETIREMENT PLAN LIMITS FOR 2024 & 2025

Individual plan limitations	2024	2025
IRA Contribution Limit: Maximum annual contribution an individual may make to a traditional or ROTH IRA. 100% of earned income up to:	\$7,000	\$7,000
IRA catch-up contribution limit: Maximum annual catch-up contribution an individual age 50 and older may make to a traditional or ROTH IRA	\$1,000	\$1,000
Traditional IRA deductibility phase-out range: Modified adjusted gross income (MAGI) amount an individual/couple may have in order to make a deductible contribution to a traditional IRA if the individual is covered by an employer-sponsored plan. ¹	Single filers:	\$77,000 - \$87,000 \$79,000 - \$89,000
	Married filing jointly:	\$123,000 - \$143,000 \$126,000 - \$146,000
	Married filing separately:	0 - \$10,000 0 - \$10,000
	Spouse not participating in employer plan:	\$230,000 - \$240,000 \$236,000 - \$246,000
	Single filers:	\$146,000 - \$161,000 \$150,000 - \$165,000
Roth IRA phase-out range: MAGI amount an individual/couple may have in order to make a ROTH contribution. ²	Married filing jointly:	\$230,000 - \$240,000 \$236,000 - \$246,000
	Married filing separately:	0 - \$10,000 0 - \$10,000
Coverdell education savings account (CESA) contribution limit: Maximum annual contribution an individual may make to a CESA.	\$2,000	\$2,000
Coverdell education savings account (CESA) AGI limit: AGI amount an individual/couple may have in order to make a CESA contribution.	Single filers:	\$95,000 - \$110,000 \$95,000 - \$110,000
	Married filing jointly:	\$190,000 - \$220,000 \$190,000 - \$220,000

¹ If MAGI is lower than the applicable range in the chart, contributions are fully deductible.

² If MAGI is lower than the applicable range in the chart, then contribution limit is not reduced.

Note: MAGI for IRA deductibility equals adjusted gross income (AGI) plus certain additions that are added back as further adjustments. See IRS publication 590 for a list of these adjustments.

Employer Plan Limitations	2024	2025
401(k) elective deferral limit: Maximum dollar limit for an employee's salary deferral. The limit also applies to 403(b)'s, 457(b)s and SAR-SEPs. ³	\$23,000	\$23,500
401(k) catch-up contribution limit: Maximum elective deferral catch-up contribution that participants age 50 and older may be allowed to make. This limit also applies to 403(b)s, 457(b)s, and SAR-SEPs. ³	\$7,500	\$7,500
SIMPLE retirement account elective deferral limit: Maximum dollar limit for an employee's salary deferral.	\$16,000	\$16,500
SIMPLE retirement account catch-up contribution limits: Maximum elective deferral catch-up contribution that participants age 50 and older at the end of the calendar year may be allowed to make.	\$3,500	\$3,500
Defined contribution plan limit: Maximum annual contribution allowed for a plan participant.	\$69,000	\$70,000
Defined benefit plan limit: Maximum annual benefit for an employee at social security retirement age, which is used in calculating the defined benefit plan's annual contributions.	\$275,000	\$280,000
Annual compensation limit: Maximum annual compensation that may be considered in determining an employee's retirement plan contribution.	\$345,000	\$350,000
Highly compensated employee (HCE) compensation limit: Compensation used to determine HCE status under the plan.	\$155,000	\$160,000
Key employee/officer in a top-heavy plan: Compensation used in part to determine key employee status under the plan.	\$220,000	\$230,000
SEP coverage minimum compensation limit: SEP and SAR-SEP annual compensation limit to exclude employees.	\$750	\$0
Social security wage base: maximum amount of earnings subject to Social security (OASDI) tax.	\$168,600	\$176,100

³ Certain aggregation rules apply to all salary deferral plans, and special catch-up provisions are available in 403(b)s and 457(b)s.

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