

LIMIT	2018	2019
401(k)/403(b) Elective Deferral Limit (IRC § 402(g)) The annual limit on an employee's elective deferrals to a Section 401(k) or 403(b) plan made through salary reduction.	\$18,500	\$19,000
Governmental/Tax Exempt Deferral Limit (IRC § 457(e)(15)) The annual limit on an employee's elective deferrals to Section 457 deferred compensation plans of state and local governments and tax-exempt organizations.	\$18,500	\$19,000
401(k)/403(b)/457 Catch-up Limit (IRC § 414(v)(2)(B)(i)) In addition to the regular limit on elective deferrals described above, employees age 50 or over generally can make an additional "catch-up" contribution not to exceed this limit.	\$6,000	\$6,000
Defined Contribution Plan Limit (IRC § 415(c)) The limitation for annual contributions to a defined contribution plan (such as a 401(k) plan or profit sharing plan).	\$55,000	\$56,000
Defined Benefit Plan Limit (IRC § 415(b)) The limitation on the annual benefits from a defined benefit plan.	\$220,000	\$225,000
Annual Compensation Limit (IRC § 401(a)(17)) The maximum amount of compensation that may be taken into account for benefit calculations and nondiscrimination testing.	\$275,000 (\$405,000 for certain gov't plans)	\$280,000 (\$415,000 for certain gov't plans)
Highly Compensated Employee Threshold (IRC § 414(q)) The definition of an HCE includes a compensation threshold for the <i>prior</i> year. A retirement plan's discrimination testing is based on coverage and benefits for HCEs.	\$120,000 (for 2019 HCE determination)	\$125,000 (for 2020 HCE determination)
Key Employee Compensation Threshold (IRC § 416) The definition of a key employee includes a compensation threshold. Key employees must be determined for purposes of applying the top-heavy rules. Generally, a plan is top-heavy if the plan benefits of key employees exceed 60% of the aggregate plan benefits of all employees.	\$175,000	\$180,000
SEP Minimum Compensation Limit (IRC § 408(k)(2)(C)) The mandatory participation requirements for a simplified employee pension (SEP) includes this minimum compensation threshold.	\$600	\$600
SIMPLE Employee Contribution Limit (IRC § 408(p)(2)(E)) The limitation on deferrals to a SIMPLE retirement account.	\$12,500	\$13,000

SIMPLE Catch-up Limit (IRC § 414(v)(2)(B)(ii)) The maximum amount of catch-up contributions that individuals age 50 or over may make to a SIMPLE retirement account or SIMPLE 401(k) plan.	\$3,000	\$3,000
Social Security Taxable Wage Base This threshold is the maximum amount of earned income on which Social Security taxes may be imposed (6.20% paid by the employee and 6.20% paid by the employer).	\$128,400	\$132,900