



Comparision of limits from 2020 to 2021

Type of Limitation	2021	2020
Elective Deferrals (401(k) and 403(b); not including adjustments and catch-ups)	\$19,500	\$19,500
Catch up contributions for individuals 50 and above	\$6,500	\$6,500
Defined Benefit Plans	\$230,000	\$230,000
Defined Contribution Plans (annual additions limit)	\$58,000	\$57,000
Annual Compensation Limit	\$290,000	\$285,000
Highly Compensated Employee ("HCEs")	\$130,000	\$130,000
Key Employee/Officer	\$185,000	\$185,000
Individual Retirement Accounts ("IRAs"), for individuals 49 and below	\$6,000	\$6,000
Individual Retirement Accounts ("IRAs"), for individuals 50 and above	\$7,000	\$7,000
SIMPLE Retirement Accounts	\$13,500	\$13,500
SEP Coverage	\$650	\$600
SEP Compensation	\$290,000	\$285,000
Maximum Amount for Qualified Longevity Annuity Contract Purchases	\$135,000	\$135,000
Income Subject to Social Security Tax	\$142,800	\$137,700
FICA Tax for employers	7.65%	7.65%
FICA Tax for employees	7.65%	7.65%
Social Security Tax for employers	6.20%	6.20%
Social Security Tax for employees	6.20%	6.20%
Medicare Tax for employees and employers 8	1.45%	1.45%
SECA Tax for self-employed workers	15.30%	15.30%
Social Security Tax for self-employed workers	12.40%	12.40%
Medicare Tax for self-employed workers	2.90%	2.90%

*Highlighted notes all changes from 2020 to 2021