

Retirement Plan Limits



On November 1st, 2018 The U.S. Internal Revenue Service (IRS), announced cost-of-living adjustments (COLAs) affecting dollar limits for defined contribution and defined benefit retirement plans and other retirement-related items for tax year 2019. Many plan limits on contributions and benefits will rise because increases in the cost-of-living index met the statutory thresholds that trigger their adjustment.

Among the changes effective as of January 1, 2019:

IRS Limits	2019	2018	2017
DC Plan Annual Additions Limit ¹	\$56,000	\$55,000	\$54,000
Maximum Compensation ²	\$280,000	\$275,000	\$270,000
401(k) Plan Deferral Limit ³	\$19,000	\$18,500	\$18,000
Catch-up Deferral Limit ³	\$6,000	\$6,000	\$6,000
Highly Compensated Employee Compensation ⁴	\$125,000	\$120,000	\$120,000
DB Plan Annual Benefit Limit ⁵	\$225,000	\$220,000	\$215,000
Social Security Taxable Wage Base	\$132,900	\$128,400	\$127,200

¹ Based on the year in which the Limitation Year ends

² Based on the year in which the Plan Year begins

³ Applies to the calendar year

⁴ Based on the year in which the preceding plan year begins

⁵ Maximum annual annuity benefit payable in a DB Plan. Contributions are determined by the Plan's Actuary.