

2023

RETIREMENT PLAN DOLLAR LIMITATIONS

The Internal Revenue Service has announced the annual cost of living adjustments to certain dollar limitations relevant to qualified retirement plans. Effective January 1, 2023, the dollar limitations are as follows:

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Compensation Limit	\$330,000	\$305,000	\$290,000	\$285,000	\$275,000	\$275,000
Maximum 401(k)/403(b) Contributions	\$22,500	\$20,500	\$19,500	\$19,500	\$18,500	\$18,000
401(k)/403(b) Age 50 Catch-Up Contributions	\$7,500	\$6,500	\$6,500	\$6,500	\$6,000	\$6,000
Maximum 457(b) Contributions (Employee + Employer)	\$22,500	\$20,500	\$19,500	\$19,500	\$19,000	\$18,000
Defined Benefit Maximum	\$265,000	\$245,000	\$230,000	\$230,000	\$225,000	\$220,000
Defined Contribution Maximum Annual Addition (401(k)/403(b))	\$66,000	\$61,000	\$58,000	\$57,000	\$56,000	\$55,000
SIMPLE Election Deferral Limit	\$15,500	\$14,000	\$13,500	\$13,500	\$13,000	\$12,500
SIMPLE Catch-Up Contributions	\$3,500	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Highly Compensated Employees' Limits Compensation exceeding	\$150,000	\$135,000	\$130,000	\$130,000	\$125,000	\$120,000
Key Employees						
◆ Officer Compensation	\$215,000	\$200,000	\$185,000	\$185,000	\$180,000	\$170,000
◆ 1% Owner (<i>not indexed</i>)	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
Social Security Taxable Wage Bases						
◆ Social Security	\$160,200	\$147,000	\$142,800	\$137,700	\$132,900	\$128,400
◆ Medicare	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit