

2024

Retirement Plan Limits and Contributions



The Internal Revenue Service has released the 2024 cost-of-living adjustments (COLA) applicable to pension plan contribution limits. In addition to impacting Social Security beneficiaries, retirement contributions and pension plan benefits are required by law to be adjusted annually for COLA increases. The tables below detail new annual limits and contribution amounts.*

| IRAs | 2024 | 2023 |
|----------------------------|-------------|-------------|
| IRA Contribution Limit | \$7,000 | \$6,500 |
| IRA Catch-Up Contributions | \$1,000 | \$1,000 |

| Traditional IRA AGI Deduction Phase-Out Starting at | 2024 | 2023 |
|--|-------------|-------------|
| Joint Return | \$123,000 | \$116,000 |
| Single or Head of Household | \$77,000 | \$73,000 |

| SEP | 2024 | 2023 |
|--------------------------|-------------|-------------|
| SEP Minimum Compensation | \$750 | \$750 |
| SEP Maximum Contribution | \$69,000 | \$66,000 |
| SEP Maximum Compensation | \$345,000 | \$330,000 |

| SIMPLE Plans | 2024 | 2023 |
|------------------------------|-------------|-------------|
| SIMPLE Maximum Contributions | \$16,000 | \$15,500 |
| Catch-Up Contributions | \$3,500 | \$3,500 |



| 401(k), 403(b), Profit-Sharing Plans, etc. | 2024 | 2023 |
|---|-------------|-------------|
| Annual Compensation | \$345,000 | \$330,000 |
| Elective Deferrals | \$23,000 | \$22,500 |
| Catch-Up Contributions | \$7,500 | \$7,500 |
| Defined Contribution Limits | \$69,000 | \$66,000 |
| ESOP Limits | \$1,380,000 | \$1,330,000 |
| | \$275,000 | \$265,000 |

| Other | 2024 | 2023 |
|--|-------------|-------------|
| HCE Threshold | \$155,000 | \$150,000 |
| Defined Benefit Limits | \$275,000 | \$265,000 |
| Key Employee | \$220,000 | \$215,000 |
| 457 Elective Deferrals | \$23,000 | \$22,500 |
| Control Employee (Board Member or Officer) | \$135,000 | \$130,000 |
| Control Employee (Compensation-Based) | \$275,000 | \$265,000 |
| Taxable Wage Base | \$168,000 | \$160,200 |

*Source: <https://www.irs.gov/retirement-plans/cola-increases-for-dollar-limitations-on-benefits-and-contributions>. Accessed 04/03/2024.

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