

# Annual Plan Limits



**PENSION PLAN SERVICES, INC.**

Each year the U.S. government adjusts the limits for qualified plans and Social Security to reflect cost-of-living adjustments and changes in the law. Many of these limits are based on the "plan year" as defined in the plan document. The elective deferral and catch-up limits are always based on the calendar year.

	<u>2021</u>	<u>2020</u>
Maximum compensation limit	\$290,000	\$285,000
Defined contribution plan maximum contribution	\$58,000	\$57,000
Defined benefit plan maximum contribution	\$230,000	\$230,000
401(k), 403(b) and 457 plan maximum elective deferrals	\$19,500	\$19,500
Catch-up contributions	\$6,500	\$6,500
SIMPLE plan elective deferrals	\$13,500	\$13,500
Catch-up contributions	\$3,000	\$3,000
IRA contributions	\$6,000	\$6,000
Catch-up contributions	\$1,000	\$1,000
Highly Compensated Salary Threshold	\$130,000	\$130,000
Officer Salary Threshold	\$185,000	\$185,000
Social Security Taxable Wage Base	\$142,800	\$137,700