

RETIREMENT PLAN DOLLAR LIMITATION ON BENEFITS AND CONTRIBUTIONS

The IRS has announced the 2022 cost-of-living adjustments (COLAs) with respect to retirement plan limits. Certain limits are changed for 2022 since the increase in the cost-of-living index met the statutory thresholds that trigger their adjustment. However, others remain unchanged.

	2022	2021	2020
IRAs			
IRA Contribution Limit	6,000	6,000	6,000
IRA Catch-Up Contributions	1,000	1,000	1,000
SEP			
SEP Minimum Compensation	650	650	600
SEP Maximum Contribution	61,000	58,000	57,000
SEP Maximum Compensation	305,000	290,000	285,000
SIMPLE Plans			
SIMPLE Maximum Contributions	14,000	13,500	13,500
Catch-up Contributions	3,000	3,000	3,000
401(k), 403(b), Profit-Sharing Plans, etc.			
Annual Compensation	305,000	290,000	285,000
Elective Deferrals	20,500	19,500	19,500
Catch-up Contributions	6,500	6,500	6,500
Defined Contribution Limits	61,000	58,000	57,000
ESOP Limits			
For determining maximum account balance subject to the general 5-yr distribution period.	1,230,000	1,165,000	1,150,000
For determining length of the general 5-yr distribution period.	245,000	230,000	230,000
Other			
HCE Threshold	135,000	130,000	130,000
Defined Benefit Limits	245,000	230,000	230,000
Key Employee	200,000	185,000	185,000
457 Elective Deferrals	20,500	19,500	19,500
Control Employee (board member or officer)	120,000	115,000	115,000
Control Employee (compensation-based)	245,000	235,000	230,000
Social Security Taxable Wage Base	147,000	142,800	137,700

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