

GOLDENK

Plans & Wealth Management

IRS Indexed Limits for Retirement Plans for 2024

We thought you would be interested to know

The Internal Revenue Service announced cost of living adjustments applicable to dollar limitations for retirement plans and other items for this Tax Year. For most of the limitations, the increase in the cost-of-living index met the statutory thresholds that trigger their adjustment.

If you need to make an adjustment to your payroll deduction with this New Year's limits, please take note of the increases. Feel free to contact us if you need additional information or you would like to review your retirement plan.

2024 & 2023 Retirement Plan Limits		
	2024	2023
Defined Contribution Plans	\$ 69,000	\$ 66,000
Defined Benefit or Cash Balance Plans	\$ 275,000	\$ 265,000
Maximum Compensation ¹	\$ 345,000	\$ 330,000
401(k), 457(b) & 403(b) deferrals ²	\$ 23,000	\$ 22,500
Catch up (50 & older years) ³	\$ 7,500	\$ 7,500
Highly Compensated ⁴	\$ 155,000	\$ 150,000
Income Subject to Social Security Tax	\$ 168,600	\$ 160,200
SIMPLE Plans	\$ 16,000	\$ 15,500
SIMPLE Plan Catch up	\$ 3,500	\$ 3,500
IRA	\$ 7,000	\$ 7,500
IRA Catch up (50 & older years)	\$ 1,000	\$ 1,000
ESOP 5-year Distribution Period Limit	\$ 275,000	\$ 265,000

1. All compensation from a single employer (including all members of a controlled group) must be aggregated for purposes of this limit.
2. Employee deferrals to all 401(k) and 403(b) plans must be aggregated for purposes of this limit. A lower limit applies to SIMPLE plans.
3. Available to employees ages 50 or older during the calendar year. A lower limit applies to SIMPLE plans.
4. For the 2024 plan year, an employee who earns more than \$150,000 in 2023 is an HCE. For the 2023 plan year, an employee who earned more than \$135,000 in 2022 is an HCE.

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