



IRS Cost of Living Adjustments to Retirement Plan Limitations

MAXIMUM DOLLAR 2025 LIMITATIONS

| Benefit Limit | 2025 | 2024 |
|--|-----------|-----------|
| Defined Benefit and Defined Contribution Plan Limits for Year | | |
| 401(k) & 403(b) Elective Deferrals | \$23,500 | \$23,000 |
| Catch-Up Elective Deferrals* | \$7,500* | \$7,500 |
| Defined Benefit Plan Limit | \$280,000 | \$275,000 |
| Defined Contribution Limit without Catch-up | \$70,000 | \$69,000 |
| Annual Compensation Limit | \$350,000 | \$345,000 |
| Highly Compensated Employee | \$160,000 | \$155,000 |
| Other Related Limits | | |
| Traditional and Roth IRS Contribution Limits ** | \$7,000 | \$7,000 |
| Traditional and Roth IRA Catch-up Limits | \$1,000 | \$1,000 |
| SIMPLE Plan Deferral | \$16,500 | \$16,000 |
| SIMPLE Plan Catch-up Elective Deferrals | \$3,500 | \$3,500 |
| SEP Minimum Compensation | \$750 | \$750 |
| Social Security Taxable Wage Base | \$176,100 | \$168,600 |

** Under SECURE 2.0 the Catch-up Elective Deferrals for employees ages 60-63 in 2025 will be \$11,250*

** Must have employment compensation

As a reminder, elective deferral contributions and loan payments must be segregated from corporate assets as soon as administratively possible and should not exceed 7 business days. If you are not sending in contributions on a per payroll basis, please contact Alliance Benefit Group to discuss the arrangements to avoid potential penalties