

Employee Benefit Plan and IRA Quick Reference Table

2019 & 2020

The Internal Revenue Service has announced the cost-of-living adjustments applicable to dollar limitations for various qualified retirement plans and other amounts for 2020. While the pension plan deferral and catch-up limits did not change, many of the annual pension plan limits and compensation thresholds did. Plan sponsors should verify that their administrative and payroll systems reflect the appropriate limits. Communications that specify benefit plan limits should be reviewed for accuracy before materials are given to participants.

	2019	2020
Compensation limit—IRC Sec. 401(a)(17)	\$ 280,000	\$ 285,000
Defined benefit plan annual benefit limit	\$ 225,000	\$ 230,000
Defined contribution plan annual contribution limit	\$ 56,000	\$ 57,000
Social security tax wage base	\$ 132,900	\$ 137,700
Highly compensated employee compensation threshold	\$ 125,000	\$ 130,000
Key employee officer compensation threshold	\$ 180,000	\$ 185,000
SEP compensation threshold	\$ 600	\$ 600
401(k), 403(b), 457(b), and SARSEPs		
Elective deferral limit ⁽¹⁾	\$ 19,000	\$ 19,500
Catch-up contribution ⁽²⁾	\$ 6,000	\$ 6,500
SIMPLE plan		
Elective deferral limit ⁽¹⁾	\$ 13,000	\$ 13,500
Catch-up contribution ⁽²⁾	\$ 3,000	\$ 3,000
IRA		
Elective deferral limit ⁽¹⁾	\$ 6,000	\$ 6,000
Catch-up contribution ⁽²⁾	\$ 1,000	\$ 1,000
Traditional IRA deduction phaseout (AGI)		
Single, Head of Household—Active participant	\$64,000/\$74,000	\$65,000/\$75,000
Married Filing Separate—Any spouse participates	\$0 / \$10,000	\$0 / \$10,000
Married Filing Joint—Nonparticipating spouse	\$193,000 / \$203,000	\$196,000 / \$206,000
Married Filing Joint—Participating spouse	\$103,000 / \$123,000	\$104,000 / \$124,000
Roth IRA contribution eligibility (AGI)		
Married Filing Joint	\$193,000 / \$203,000	\$196,000 / \$206,000
Single, Head of Household	\$122,000 / \$137,000	\$124,000 / \$139,000
Married Filing Separate—Any spouse participates	\$0 / \$10,000	\$0 / \$10,000
Retirement saver's credit eligibility (AGI)		
Married Filing Joint	\$ 64,000	\$ 65,000
Head of Household	\$ 48,000	\$ 48,750
Married Filing Separate, Single	\$ 32,000	\$ 32,500

(1) This applies to the total of all elective deferrals an individual makes for the year to 401(k) plans, 403(b) plans, SARSEPs, and SIMPLE plans. However, deferrals to each SIMPLE plan in which the individual participates are also limited, as shown later in the table.

(2) Catch-up contributions are available each year to individuals who reach age 50 by December 31.