

Employee Benefits Update: IRS Benefit Plan Limitations 2023

Earlier this afternoon, the Internal Revenue Service issued the adjusted retirement plan limitations for 2024. As expected, most of the limits will significantly increase from 2023:

- Elective Deferral Limit: \$23,000 (increased from \$22,500 in 2023)
- Catch-Up Contributions: \$7,500 (the same as in 2023)
- 415 (Total) Plan Limit: \$69,000 (increased from \$66,000 in 2023)
- Compensation Limit: \$345,000 (increased from \$330,000 in 2023)
- Social Security Limit \$168,600 (increased from \$160,200 in 2023)

The [attached chart](#) shows these and several other historical limits from 2019 through 2024, and a reference to the IRS sources.

For more information regarding these updates, please contact Matthew J. Flanary at (262) 364-0253 or at mflanary@buelowvetter.com.

Employee Benefits Update IRS Benefit Plan Limitations

	2024	2023	2022	2021	2020	2019
Elective Deferrals-401(k) and 403(b) Plans (§402(g)(1))	\$23,000	\$22,500	\$20,500	\$19,500	\$19,500	\$19,000
Over Age 50 Catch-up (§414(v)(2)(b)(i))	\$7,500	\$7,500	\$6,500	\$6,500	\$6,500	\$6,000
Compensation limit (§401(a)(17))	\$345,000	\$330,000	\$305,000	\$290,000	\$285,000	\$280,000
415 Limits						
· Defined Contribution Plans (§415(c)(1)(A))	\$69,000	\$66,000	\$61,000	\$58,000	\$57,000	\$56,000
· Defined Benefit Plans (§415(b)(1)(A))	\$275,000	\$265,000	\$245,000	\$230,000	\$230,000	\$225,000
Highly Compensated Employee (§414(q)(1)(B))	\$155,000	\$150,000	\$135,000	\$130,000	\$130,000	\$125,000
Social Security/Medicare Wage Limits						
· OASDI (Social Security) Wage Base	\$168,600	\$160,200	\$147,000	\$142,800	\$137,700	\$132,900
· Hospital Insurance Wage Base	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit
Other Plans						
· 457 Plans (§457(e)(15))	\$23,000	\$22,500	\$20,500	\$19,500	\$19,500	\$19,000
· SEP Coverage/Eligibility Pay Minimum	\$600	\$600	\$600	\$600	\$600	\$600
· SEP Compensation Limit	345,000	\$330,000	\$305,000	\$290,000	\$285,000	\$280,000
IRS Authority for Limits	Notice 2023-75	Notice 2022-55	Notice 2021-61	Notice 2020-79	Notice 2019-59	Notice 2018-83

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