



Pension Plan Limits for the Tax Year 2018

On October 19, 2017, the IRS announced cost of living adjustments affecting dollar limitations for pension plans and other retirement-related items for tax year 2018. The Internal Revenue Code requires that the Secretary of the Treasury adjust the limits annually.

Some highlights are:

- ✓ **The elective deferral (contribution) limit for employees who participate in 401(k), 403(b), most 457 plans, and the federal government's Thrift Savings Plan will increase to \$18,500.**
- ✓ **The catch-up contribution limit for those aged 50 and over will remain the same at \$6,000.**

Chart of Selected Limits

	2018	2017	2016	2015	2014	2013	2012
401k Plan Limits for Year							
401k Elective Deferrals	\$18,500	\$18,000	\$18,000	\$18,000	\$17,500	\$17,500	\$17,000
Annual Defined Contribution Limit	\$55,000	\$54,000	\$53,000	\$53,000	\$52,000	\$51,000	\$50,000
Annual Compensation Limit	\$275,000	\$270,000	\$265,000	\$265,000	\$260,000	\$255,000	\$250,000
Catch-Up Contribution Limit	\$6,000	\$6,000	\$6,000	\$6,000	\$5,500	\$5,500	\$5,500
Highly Compensated Employees	\$120,000	\$120,000	\$120,000	\$120,000	\$115,000	\$115,000	\$115,000
Non-401k Related Limits							
403b/457 Elective Deferrals	\$18,500	\$18,000	\$18,000	\$18,000	\$17,500	\$17,500	\$17,000
SIMPLE Employee Deferrals	\$12,500	\$12,500	\$12,500	\$12,500	\$12,000	\$12,000	\$11,500
SIMPLE Catch-Up Deferral	\$3,000	\$3,000	\$3,000	\$3,000	\$2,500	\$2,500	\$2,500
SEP Minimum Compensation	\$600	\$600	\$600	\$600	\$550	\$550	\$550
SEP Annual Compensation Limit	\$275,000	\$270,000	\$265,000	\$265,000	\$260,000	\$255,000	\$250,000
Social Security Wage Base	\$128,700	\$127,200	\$118,500	\$118,500	\$117,000	\$113,700	\$110,100