



Benefit and Contribution Limits for 2017

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The Commissioner of Internal Revenue announced the 2017 dollar limitations for benefits and contributions that apply to retirement and cafeteria plans. Some limits have increased while others remained the same. The Social Security Administration increased the Social Security taxable wage base. Increases for health savings accounts were announced this summer. The following chart shows the 2017 limits and the similar limits for 2016.

Benefit Limits Under the Internal Revenue Code and Social Security		
Description	2016 Limit	2017 Limit
Compensation Cap (401(a)(17))	\$265,000	\$270,000
Elective Deferral Limitation under 402(g)(1) for elective deferrals for 401(k) plans, SEPs and 403(b) plans	\$18,000	\$18,000

<p>Catch-Up Contributions for Individuals Age 50 and Older</p> <p>For SIMPLE IRAs or SIMPLE 401(k) plans</p>	<p>\$6,000</p> <p>\$3,000</p>	<p>\$6,000</p> <p>\$3,000</p>
<p>Defined Benefit Maximum Annual Accrual</p>	<p>\$210,000</p>	<p>\$215,000</p>
<p>Defined Contribution Maximum Annual Addition</p>	<p>\$53,000</p>	<p>\$54,000</p>
<p>Highly Compensated Employee Compensation Threshold</p> <p>Key Employee in Top-Heavy Plans Compensation Threshold</p>	<p>\$120,000</p> <p>\$170,000</p>	<p>\$120,000</p> <p>\$175,000</p>
<p>ESOP threshold for determining maximum account balance subject to 5-year distribution period</p> <p>Regular Limit Additional amount to lengthen 5-year period</p>	<p>\$1,070,000</p> <p>\$210,000</p>	<p>\$1,080,000</p> <p>\$215,000</p>

SEP Compensation Threshold for Participation	\$600	\$600
SIMPLE IRA Maximum Pre-Tax Contribution	\$12,500	\$12,500
Deferral Limit for 457(b) Plans of Governmental and Tax-Exempt Entities	\$18,000	\$18,000
IRA Maximum Deduction	\$5,500	\$5,500
Social Security Taxable Wage Base	\$118,500	\$127,200
Health Savings Account Maximum Contributions	\$6,750	\$6,750
Family Coverage	\$3,350	\$3,400
Single Coverage		
Health Flexible Spending Account Annual Limit	\$2,550	\$2,600

Related People

- Brydon M. DeWitt – 804.420.6917 – bdewitt@williamsmullen.com
- Nona K. Massengill – 804.420.6569 – nmassengill@williamsmullen.com
- Marc Purintun – 804.420.6310 – mpurintun@williamsmullen.com

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