



Benefit and Contribution Limits for 2019

11.01.2018

The Commissioner of Internal Revenue announced the 2019 dollar limitations for benefits and contributions that apply to retirement plans. Most limits have increased while a few 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 provides the 2019 limits and the similar limits for 2018.

Benefit Limits Under the Internal Revenue Code and Social Security		
Description	2018 Limit	2019 Limit
Compensation Cap under 401(a)(17)	\$275,000	\$280,000
Elective Deferral Limit under 402(g)(1) for 401(k) plans, SEPs, and 403(b) plans	\$18,500	\$19,000
Applicable Dollar Amount for 457(b) plans	\$18,500	\$19,000
Catch-Up Contributions for Individuals Age 50 and Older	\$6,000	\$6,000

Defined Benefit Maximum Annual Accrual	\$220,000	\$225,000
Defined Contribution Maximum Annual Addition	\$55,000	\$56,000
Highly Compensated Employee Compensation Limit	\$120,000	\$125,000
Key Employee in Top- Heavy Plans Compensation Limit	\$175,000	\$180,000
ESOP threshold for determining maximum account balance subject to 5-year distribution period	\$1,105,000	\$1,130,000
Regular Limit Additional amount to lengthen 5-year period	\$220,000	\$225,000
SEP Compensation Threshold for Participation	\$600	\$600
SIMPLE IRA Maximum Pre-Tax Contribution	\$12,500	\$13,000
Catch-Up Contributions for SIMPLE IRAs or SIMPLE 401(k) plans	\$3,000	\$3,000

IRA Maximum Deduction	\$5,500	\$6,000
Social Security Taxable Wage Base	\$128,700	\$132,900
Health Savings Account Maximum Contributions	\$6,900	\$7,000
Family Coverage	\$3,400	\$3,500
Single Coverage		

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