

2026 Benefits Update

Retirement Contributions and Benefits	2025	2026
Elective deferral limit (401(k), 403(b) and 457(b))	\$23,500	\$24,500
Catch-up deferral limit (401(k), 403(b) and gov. 457(b))	\$7,500	\$8,000
Catch-up deferral limit for age 60-63	\$11,250	\$11,250
Roth catch-up high earner	N/A	\$150,000
Highly compensated employee (HCE)	\$160,000	\$160,000
Annual compensation limit for benefit purposes	\$350,000	\$360,000
Annual compensation for key employee determination	\$230,000	\$235,000
SIMPLE maximum contribution	\$16,500	\$17,000
SEP minimum compensation threshold	\$750	\$800
Code § 415 Maximums		
Defined benefit plan limit (annual accrual)	\$280,000	\$290,000
Defined contribution plan limit (annual addition)	\$70,000	\$72,000
Pension Benefit Guaranty Corporation (PBGC)		
Maximum monthly guaranteed benefit at age 65 (single-employer plans)	\$7,432	\$7,790
Flat-rate PBGC premium per participant (single-employer plans)	\$106	\$111
Maximum Contribution for FSAs and HSAs		
Health FSA maximum	\$3,300	\$3,400
Health FSA carryover limit	\$660	\$680
HSA self-only coverage	\$4,300	\$4,400
HSA family coverage	\$8,550	\$8,750
HSA age 55 catch up	\$1,000	\$1,000
High Deductible Health Plan under Code § 223		
Annual minimum deductible		
> Self-only coverage	\$1,650	\$1,700
> Family coverage	\$3,300	\$3,400
Annual out-of-pocket maximum		
> Self-only coverage	\$8,300	\$8,500
> Family coverage	\$16,600	\$17,000

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Social Security			
Social Security taxable wage base		\$176,100	\$184,500
Retirement earnings test (under retirement age)		\$23,400	\$24,480
Retirement earnings test (at full retirement age)		\$62,160	\$65,160
Cost of living adjustment		2.5%	2.8%
Qualified Transportation Benefits			
Parking (per month)		\$325	\$340
Transit pass (per month)		\$325	\$340
Individual Retirement Accounts			
IRA contribution		\$7,000	\$7,500
IRA catch-up contribution		\$1,000	\$1,100
Income limit: maximum deductible IRA contribution phase-out			
> Single taxpayer covered by a workplace retirement plan		\$79,000	\$81,000
> Married taxpayers filing jointly; contributor covered by a workplace retirement plan		\$126,000	\$129,000
Income limit: maximum Roth contribution phase-out			
> Single taxpayer		\$150,000	\$153,000
> Married taxpayers filing jointly		\$236,000	\$242,000
Miscellaneous			
Refundable tax credit per child		\$1,700	\$2,200
Maximum adoption credit		\$17,280	\$17,670
ACA Affordability Percentage		9.02%	9.96%

12/2025

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