

## 2024 Retirement Plan Contribution Limits

Below are the cost-of-living adjustments (COLAs) that will apply to the dollar limits on contributions and benefits under qualified retirement plans, IRAs and Health Savings Accounts (HSAs) for years beginning after December 31, 2023.

### Traditional and Roth IRAs

The 2024 IRA Contribution limit has increased to \$7,000. The catch-up contribution remains unchanged at \$1,000.

### SEP IRA, Money Purchase and Profit Sharing Maximum Contribution

- The maximum dollar amount that can be contributed has increased to \$69,000.
- The cap on compensation has increased to \$345,000 (see 'Qualified Plan Compensation Limit' below).

With the deductible contribution limit remaining at 25% this year, many profit sharing, money purchase and SEP IRA plan participants will be eligible to receive up to a \$69,000 contribution.

### Employee Contribution Maximums (401(k), SIMPLE, 403(b) and 457)

- The SIMPLE IRA maximum salary deferral amount has increased to \$16,000, and the catch-up contribution for individuals age 50 and older remains at \$3,500.
- The 457 plan (a deferred compensation plan for a state or local government employer) maximum salary deferral amount has increased to \$23,000.
- The 401(k) and 403(b) maximum salary deferral amount has increased to \$23,000, with the catch-up contribution amount remaining at \$7,500.

### Qualified Plan Compensation Limit

The maximum amount of an employee's compensation that can be considered when calculating contributions to a plan has increased to \$345,000. For example, if an employer contributes 10% of each employee's pay to a profit sharing plan, an employee earning \$350,000 would receive a \$34,500 contribution (10% of \$345,000).

### Highly Compensated Employee Determination

The highly compensated employee limitation has increased to \$155,000.

### SEP IRA Employee Eligibility and SIMPLE IRA Employee Eligibility

- The maximum amount of income that an employer can require for employee SEP IRA plan eligibility remains at \$750.

- The maximum amount of income that an employer can require for employee SIMPLE IRA plan eligibility remains unchanged at \$5,000.

### Defined Benefit Plan Maximum Benefit

The limit on the annual benefit under a defined benefit plan has increased to \$275,000.

### Health Savings Accounts

The 2024 inflation adjusted indexed numbers for Health Savings Accounts (HSAs) have increased. They are:

Contribution Limits	2024	2023
Individuals	\$4,150	\$3,850
Families	\$8,300	\$7,750
Catch-up age 55+	\$1,000	\$1,000
Maximum Out-of-Pocket		
Individuals	\$8,050	\$7,500
Families	\$16,100	\$15,000
Maximum Deductible		
Individuals	\$1,600	\$1,500
Families	\$3,200	\$3,000

### Pension Plan Limit History 401(k) Plan Limits for Plan Year

	2024	2023	2022	2021
401(k) Elective Deferrals	\$23,000	\$22,500	\$20,500	\$19,500
Total Limit per Participant	\$69,000	\$66,000	\$61,000	\$58,000
Annual Compensation Limit	\$345,000	\$330,000	\$305,000	\$290,000
Catch-Up Contribution Limit	\$7,500	\$7,500	\$6,500	\$6,500
Highly Compensated Employees	\$155,000	\$150,000	\$135,000	\$130,000

### Non-401(k) Related Limits

	2024	2023	2022	2021
SIMPLE Employee Deferrals	\$16,000	\$15,500	\$14,000	\$13,500
SIMPLE Catch-Up Deferrals	\$3,500	\$3,500	\$3,000	\$3,000
SEP Minimum Compensation	\$750	\$750	\$650	\$650
SEP Annual Compensation Limit	\$345,000	\$330,000	\$305,000	\$290,000