Insights: Alerts

2025 Retirement Plan Limits

NOVEMBER 1, 2024 Written by R. Sterling Perkinson

The IRS has announced inflation-adjusted limits for retirement plans in Notice 2024-80. The 2025 retirement plan limits are summarized here.

	2024	2025
Maximum Elective Deferrals to §401(k), §403(b), and §457(b) Plans	$23,000	$23,500
Maximum Catch-up Elective Deferrals to Plans (for participants ages 50-59 *or* ages 64 or older by the end of the year)	$7,500	$7,500
Maximum Catch-up Elective Deferrals to Plans (for participants ages 60-63 by the end of the year) *	$7,500	$11,250
Section 415 Limits: - Defined Contribution Plan Annual Addition Maximum - Defined Benefit Plan Dollar Maximum	 $69,000 $275,000	 $70,000 $280,000
Annual Compensation Limit under §§401(a)(17), 404(l) and 408(k)	$345,000	$350,000
§414(q) Highly Compensated Employee definition	$155,000	$160,000
§416(i) Top-Heavy Compensation – Used to determine officers as key employees	$220,000	$230,000
Maximum eligible distribution to victims of domestic abuse (if added to the Plan)	$10,000	$10,300
Maximum pension-linked emergency savings account (if added to the Plan)	$2,500	$2,500
Premiums paid for qualifying longevity annuity contracts	$200,000	$210,000
§409(o) Maximum ESOP Account Balance Subject to 5-Year Distribution Period	$1,380,000	$1,415,000
ESOP Amount Used to Determine Extensions of the 5-Year Distribution Period	$275,000	$280,000

*Section 109 of SECURE 2.0 Act adds additional catch-up limits for participants who attain ages 60-63 during plan years starting on or after 1/1/2025.

Related People



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