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2019 Qualified Retirement Plan IRS Indexed Dollar Limits Announced

Today the IRS announced in Notice 2018-83 the cost of living adjustments affecting dollar limitations for pension plans and other retirement-related items for tax year 2019.

Most limits will increase for 2019, including the 401(a)(17) compensation limit, the 402(g) elective deferral limit, and the annual income threshold to qualify as a highly compensated employee. The catch-up elective deferral limit will stay at $6,000 for 2019.

A comparison of the key 2018 and 2019 retirement plan limits follows:

	2018	**2019**
Maximum Elective Deferrals to 401(k), 403(b), and 457(b) Plans under § 402(g)	$18,500	$19,000
Maximum Catch-up Elective Deferrals to Plans other than SIMPLE Plans (age 50 by the end of the year)	$6,000	$6,000
Annual Compensation Limit under §§ 401(a)(17), 404(l) and 408(k)	$275,000	$280,000
Highly Compensated Employee definition under § 414(q) for annual income	$120,000	$125,000
Section 415 Limits - Defined Contribution Plan Maximum Annual Addition - Defined Benefit Plan Maximum Annual Benefit	$55,000 $220,000	$56,000 $225,000
Dollar amount in the definition of a “key employee” in a top-heavy plan under § 416(i)	$175,000	$180,000
Maximum ESOP Account Balance Subject to 5-Year Distribution Period under § 409(o)	$1,105,000	$1,130,000
ESOP Amount Used to Determine Extensions of the 5-Year Distribution Period	$220,000	$225,000
Maximum Roth IRA Contribution (AGI Limit) under § 408A - Married Filing Joint Return or Qualifying Widower - All other Taxpayers (other than married filing separately)	$189,000$120,000	$193,000 $122,000
Social Security Taxable Wage Base (SSA announced October 11, 2018)	$128,400	$132,900