



IRS Announces COLA Adjustments to Retirement Plan Limitations for 2018
Effective date: January 1, 2018

MAXIMUM DOLLAR LIMITS

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
401(k) & 403(b) Elective Deferrals (IRC § 402(g)(1))	\$18,500	\$18,000	\$18,000	\$18,000	\$17,500	\$17,500	\$17,000	\$16,500	\$16,500	\$16,500	\$15,500
Catch-Up Elective Deferrals (IRC § 414(v)(2)(B)(i))	\$6,000	\$6,000	\$6,000	\$6,000	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$5,000
Defined Benefit Plan Benefit (IRC § 415(b)(1)(A))	\$220,000	\$215,000	\$210,000	\$210,000	\$210,000	\$205,000	\$200,000	\$195,000	\$195,000	\$195,000	\$185,000
Defined Contribution Plan Contribution (IRC § 415(c)(1)(A))	\$55,000	\$54,000	\$53,000	\$53,000	\$52,000	\$51,000	\$50,000	\$49,000	\$49,000	\$49,000	\$46,000
Annual Compensation Limit (IRC § 401(a)(17) and IRC § 404(l))	\$275,000	\$270,000	\$265,000	\$265,000	\$260,000	\$255,000	\$250,000	\$245,000	\$245,000	\$245,000	\$230,000
Special Annual Compensation Limit for Government Plans ¹	\$405,000	\$400,000	\$395,000	\$395,000	\$385,000	\$380,000	\$375,000	\$360,000	\$360,000	\$360,000	\$345,000
457(b) Deferral (IRC § 457(e)(15))	\$18,500	\$18,000	\$18,000	\$18,000	\$17,500	\$17,500	\$17,000	\$16,500	\$16,500	\$16,500	\$15,500
Highly Compensated Employee (IRC § 414(q)(1)(B)) ²	\$120,000	\$120,000	\$120,000	\$120,000	\$115,000	\$115,000	\$115,000	\$110,000	\$110,000	\$110,000	\$105,000
SIMPLE Plan Deferral (IRC § 408(p)(2)(E))	\$12,500	\$12,500	\$12,500	\$12,500	\$12,000	\$12,000	\$11,500	\$11,500	\$11,500	\$11,500	\$10,500
SIMPLE Plan Catch-Up Elective Deferrals (IRC § 414(v)(2)(B)(ii))	\$3,000	\$3,000	\$3,000	\$3,000	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
SEP Coverage (IRC § 408(k)(2)(C))	\$600	\$600	\$600	\$600	\$550	\$550	\$550	\$550	\$550	\$550	\$500
SEP Compensation (IRC § 408(k)(3)(C) and IRC § 408(k)(6)(D)(ii))	\$275,000	\$270,000	\$265,000	\$265,000	\$260,000	\$255,000	\$250,000	\$245,000	\$245,000	\$245,000	\$230,000
Tax Credit ESOP Maximum Balance (IRC § 409(o)(1)(C)(ii))	\$1,105,000	\$1,080,000	\$1,070,000	\$1,070,000	\$1,050,000	\$1,035,000	\$1,015,000	\$985,000	\$985,000	\$985,000	\$935,000
Amount for Lengthening of 5-year ESOP Period	\$220,000	\$215,000	\$210,000	\$210,000	\$210,000	\$205,000	\$200,000	\$195,000	\$195,000	\$195,000	\$185,000
PBGC Monthly Maximum Guarantee (Single Employer Plan - Normal Retirement Age 65)	\$5,420.45	\$5,369.32	\$5,011.36	\$5,011.36	\$4,943.18	\$4,789.77	\$4,653.41	\$4,500.00	\$4,500.00	\$4,500.00	\$4,312.50
Social Security Tax Wage Base	\$128,400	\$127,200	\$118,500	\$118,500	\$117,000	\$113,700	\$110,100	\$106,800	\$106,800	\$106,800	\$102,000
Key Employee Officer Compensation (IRC § 416(i)(1)(A)(i))	\$175,000	\$175,000	\$170,000	\$170,000	\$170,000	\$165,000	\$165,000	\$160,000	\$160,000	\$160,000	\$150,000
FICA Tax for Employees	7.65%	7.65%	7.65%	7.65%	7.65%	7.65%	5.65%	5.65%	7.65%	7.65%	7.65%
FICA Tax for Employers	7.65%	7.65%	7.65%	7.65%	7.65%	7.65%	7.65%	7.65%	7.65%	7.65%	7.65%
OASDI Tax for Employees	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	4.20%	4.20%	6.20%	6.20%	6.20%
OASDI Tax for Employers	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%
Medicare Tax for Employees and Employers ³	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%
SECA Tax for Self-Employed Workers	15.30%	15.30%	15.30%	15.30%	15.30%	15.30%	13.30%	13.30%	15.30%	15.30%	15.30%
Social Security Tax for Self-Employed Workers	12.40%	12.40%	12.40%	12.40%	12.40%	12.40%	10.40%	10.40%	12.40%	12.40%	12.40%
Medicare Tax for Self-Employed Workers ⁴	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%

¹The special annual compensation limit for governmental plans applies only to eligible participants in governmental plans which imposed 401(a)(17) limits with indexing on July 1, 1993. The IRS did not publish these special limits for 1996 or 1997; therefore, a plan's actuary may have determined the limit for such years.

²The highly compensated employee determination is based on amounts earned in "look-back" year. Thus, whether an employee is highly compensated for the 2018 plan year is based on whether his/her 2017 compensation exceeded the compensation amount listed for 2018.

³Beginning January 1, 2013, the employee portion of the Medicare tax rate for employees earning over \$200,000 (single filers) or over \$250,000 (joint filers) is an additional 0.9% for amounts earned above such thresholds, for a total of 2.35%.Φ

⁴Beginning January 1, 2013, the Medicare tax rate for self-employed workers earning over \$200,000 (single filers) or over \$250,000 (joint filers) is an additional 0.9% for amounts earned above such thresholds, for a total of 3.8%.Φ

Φ In each case, an additional 3.8% Medicare tax rate is imposed on the lesser of (i) the "net investment income" for such year, or (ii) the modified AGI for such year in excess of \$200,000 (single filers) and \$250,000 (joint filers).

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