

## COST-OF-LIVING ADJUSTED LIMITS FOR 2022

LIMIT	2021	2022
<b>401(k)/403(b) Elective Deferral Limit (IRC § 402(g))</b> The annual limit on an employee's elective deferrals to a 401(k) or 403(b) plan made through salary reduction.	<b>\$19,500</b>	<b>\$20,500</b>
<b>Government/Tax Exempt Deferral Limit (IRC § 457(e)(15))</b> The annual limit on an employee's elective deferrals concerning Section 457 deferred compensation plans of state and local governments and tax-exempt organization	<b>\$19,500</b>	<b>\$20,500</b>
<b>401(k)/403(b)/457 Catch-up Limit (IRC § 414(v)(2)(B)(i))</b> In addition to the regular limit on elective deferrals described above, employees over the age of 50 generally can make an additional "catch-up" contribution not to exceed this limit.	<b>\$6,500</b>	<b>\$6,500</b>
<b>Defined Contribution Plan Limit (IRC § 415(c))</b> The limitation for annual contributions to a defined contribution plan (such as a 401(k) plan or profit sharing plan)	<b>\$58,000</b>	<b>\$61,000</b>
<b>Defined Benefit Plan Limit (IRC § 415(b))</b> The limitation on the annual benefits from a defined benefit plan.	<b>\$230,000</b>	<b>\$245,000</b>
<b>Annual Compensation Limit (IRC § 401(a)(17))</b> The maximum amount of compensation that may be taken into account for benefit calculations and nondiscrimination testing.	<b>\$290,000</b> (\$430,000 for certain gov't plans)	<b>\$305,000</b> (\$450,000 for certain gov't plans)
<b>Highly Compensated Employee Threshold (IRC § 414(q))</b> The definition of an HCE includes a compensation threshold for the prior year. A retirement plan's discrimination testing is based on coverage and benefits for HCEs.	<b>\$130,000</b> (for 2022 HCE determination)	<b>\$135,000</b> (for 2023 HCE determination)
<b>Key Employee Compensation Threshold (IRC § 416)</b> The definition of a key employee includes a compensation threshold. Key employees must be determined for purposes of applying the top-heavy rules. Generally, a plan is top-heavy if the plan benefits of key employees exceed 60% of the aggregate plan benefits of all employees.	<b>\$185,000</b>	<b>\$200,000</b>
<b>SEP Minimum Compensation Limit (IRC § 408(k)(2)(C))</b> The mandatory participation requirements for a simplified employee pension (SEP) includes this minimum compensation threshold.	<b>\$650</b>	<b>\$650</b>
<b>SIMPLE Employee Contribution (IRC § 408(p)(2)(E))</b> The limitation on deferrals to a SIMPLE retirement account.	<b>\$13,500</b>	<b>\$14,000</b>
<b>SIMPLE Catch-up Limit (IRC § 414(v)(2)(B)(iii))</b> The maximum amount of catch-up contributions that individuals age 50 or over may make to a SIMPLE retirement account or SIMPLE 401(k) plan.	<b>\$3,000</b>	<b>\$3,000</b>
<b>Social Security Taxable Wage Base</b> See the <a href="#">2022 SS Changes Fact Sheet</a> .  This threshold is the maximum amount of earned income on which Social Security taxes may be imposed (6.20% paid by the employee and 6.20% paid by the employer).	<b>\$142,800</b>	<b>\$147,000</b>