

2020
Contribution & Benefit Limits
For 401(k) and other Qualified Plans

The Internal Revenue Service announced cost of living adjustments affecting dollar limitations for pension plans and other retirement-related items for tax year 2020. The IRS issued technical guidance detailing these items in Notice 2019-59.

Highlights of Changes for 2020

The maximum Annual Elective Deferral Limit has increased to \$19,500
The Catch-up Contribution limit for individuals aged 50 and over has increased to \$6,500.
The Annual Defined Contribution Limit has increased to \$57,000.
The Defined Benefit Plan Annual Limit has increased to \$230,000.

Cost-of-Living Adjustments for Retirement Items

Code Section	2020	2019	2018	2017
401(a)(17)/ 404(l) Annual Compensation	285,000	280,000	275,000	\$270,000
402(g)(1) Elective Deferrals	19,500	19,000	18,500	18,000
408(k)(2)(C) SEP Minimum Compensation	600	600	600	600
408(k)(3)(C) SEP Maximum Compensation	285,000	280,000	275,000	270,000
408(p)(2)(E) SIMPLE Maximum Contributions	13,500	13,000	12,500	12,500
409(o)(1)(C) ESOP Limits	1,150,000	1,130,000	1,105,000	1,080,000
	230,000	225,000	220,000	215,000
414(q)(1)(B) HCE threshold	130,000	125,000	120,000	120,000
414(q)(1)(C)	---	---	---	---
414(v)(2)(B)(i) Catch-up Contribution	6,500	6,000	6,000	6,000
414(v)(2)(B)(ii) Catch-up Contribution	3,000	3,000	3,000	3,000
415(b)(1)(A) DB Limits	230,000	225,000	220,000	215,000
415(b)(2)(G) DB Limits	---	---	---	---
415(c)(1)(A) DC Limits	57,000	56,000	55,000	54,000
416(i)(1)(A)(i) Key EE	185,000	180,000	175,000	175,000
457(e)(15) Deferral Limit	19,500	19,000	18,500	18,000
4980A(c)(1) Excess Distributions	---	---	---	---
1.61-21(f)(5)(i) Control EE	115,000	110,000	110,000	105,000
1.61-21(f)(5)(iii) Control EE	230,000	225,000	220,000	215,000
219(b)(5)(A) IRA Contribution Limit	6,000	6,000	5,500	5,500
219(b)(5)(B) IRA Catch-Up Contributions	1,000	1,000	1,000	1,000
OASDI Taxable Wage Base	137,700	132,900	128,400	127,200