



The Allocation Company, Inc.

Employee Benefit Plan Consultants

On November 2, 2024, the IRS announced cost of living adjustments affecting dollar limitations for pension plans and other retirement-related items for the tax year 2025. Here are the highlights:

Chart of Select Limits

401(k) Plan Limits by Year	2025	2024	2023
401(K) Elective Deferrals	\$23,500	\$23,000	\$22,500
Annual Defined Contribution Limit	\$70,000	\$69,000	\$66,000
Annual Compensation Limit	\$350,000	\$345,000	\$330,000
Catch-Up Contribution Limit	\$7,500	\$7,500	\$7,500
Highly Compensated Employees	\$160,000	\$155,000	\$150,000
Non-401(k) Related Limits			
403(b)/ 457 Elective Deferrals	\$23,500	\$23,000	\$22,500
SIMPLE Employee Deferrals	\$16,500	\$16,000	\$15,500
SIMPLE Catch-Up Deferrals	\$3,500	\$3,500	\$3,500
SEP Minimum Compensation	750	\$750	\$750
Social Security Wage Base	\$176,100	\$168,600	\$160,200
