

RETIREMENT PLAN LIMITS FOR THE TAX YEAR 2021



ARISTA
WEALTH MANAGEMENT

On October 26, 2020, the IRS announced cost of living adjustments affecting dollar limitations for pension plans and other retirement-related items for tax year 2021. Here are the highlights:

RETIREMENT PLAN LIMITS FOR YEAR

	2021	2020	2019	2018	2017	2016	2015
401(k), 403(b), 457(b) Elective Deferrals	\$19,500	\$19,500	\$19,000	\$18,500	\$18,000	\$18,000	\$18,000
401(k), 403(b), 457(b) Catch-Up Deferrals	\$6,500	\$6,500	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
Annual Defined Contribution Limit	\$58,000	\$57,000	\$56,000	\$55,000	\$54,000	\$53,000	\$53,000
Annual Compensation Limit	\$290,000	\$285,000	\$280,000	\$275,000	\$270,000	\$265,000	\$265,000
Highly Compensated Employees	\$130,000	\$130,000	\$125,000	\$120,000	\$120,000	\$120,000	\$120,000

NON-401(k) RELATED LIMITS

	2021	2020	2019	2018	2017	2016	2015
IRA Contribution Limit	\$6,000	\$6,000	\$6,000	\$5,500	\$5,500	\$5,500	\$5,500
SIMPLE Employee Deferrals	\$13,500	\$13,500	\$13,000	\$12,500	\$12,500	\$12,500	\$12,500
SIMPLE Catch-Up Deferral	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
SEP Minimum Compensation	\$650	\$600	\$600	\$600	\$600	\$600	\$600
SEP Annual Compensation Limit	\$290,000	\$285,000	\$280,000	\$275,000	\$270,000	\$265,000	\$265,000
Social Security Wage Base	\$142,800	\$137,700	\$132,900	\$128,700	\$127,200	\$118,500	\$118,500

These materials do not constitute tax or legal advice. Consult your own tax professional.
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reflect issuance of IRS Notice N-2020-79 on October 26, 2020.

