

IRS Pension Plan Limitations



Plan Feature Limits	2025	2024	2023
401(k), 403(b), 457, Profit Sharing Plans, Etc.			
Elective Deferrals	\$23,500	\$23,000	\$22,500
Catch-Up Contributions (Age 50 & Older)	\$7,500	\$7,500	\$7,500
Catch-Up Contributions (Age 60-63)** (Requires plan amendment)	\$11,250	N/A	N/A
Defined Contribution Plan (Not Including Catch-Up)*	\$70,000	\$69,000	\$66,000
Simple IRA Plans			
Elective Deferrals	\$16,500	\$16,000	\$15,500
Catch-Up Contributions (Age 50 & Older)	\$3,500	\$3,500	\$3,500
Catch-Up Contributions (Age 60-63)** (Requires plan amendment)	\$5,250	N/A	N/A
Defined Benefit/Cash Balance Plans			
Maximum DB Plan Benefit	\$280,000	\$275,000	\$265,000
Annual Compensation			
Permitted Plan Compensation	\$350,000	\$345,000	\$330,000
Highly Compensated Employee Threshold	\$160,000	\$155,000	\$150,000
Officer Compensation Threshold - Key Employee	\$230,000	\$220,000	\$215,000
Social Security Taxable Wage Base	\$176,100	\$168,600	\$160,200
Employee Stock Ownership Plans			
Account Balance (5-Year Distribution Period)	\$1,415,000	\$1,380,000	\$1,330,000
Lengthen 5-Year Distribution Period Threshold	\$280,000	\$275,000	\$265,000

* Defined contribution plans permitting the catch-up component can effectively increase the annual contribution limit by the catch-up contribution (e.g. the 2025 limit will be \$77,500).

** Secure 2.0 permits higher catch-up contributions for participants ages 60-63, if plan is amended to permit the higher catch-up contributions.