

IRS Benefit Plan Limits for 2024

The Internal Revenue Service has announced contribution limits for retirement plan participants for 2023. The table below displays the 2023 and 2024 limits for some common plan items:

Plan Limits for Plan Year	2023 Limit	2024 Limit
401(k), 403(b) & (457) Elective Deferral Limit ¹	\$22,500	\$23,000
401(k) & 403(b) Catch-Up Contribution ^{1,2}	\$7,500	\$7,500
Defined Contribution Dollar Limit	\$66,000	\$69,000
Defined Benefit Dollar Limit	\$265,000	\$275,000
Compensation Limit ³	\$330,000	\$345,000
Highly Compensated Employee Income Limit	\$150,000	\$155,000
Key Employee Officer Limit	\$215,000	\$220,000
Social Security Taxable Wage Base	\$160,200	\$168,600
SEP and SIMPLE IRA Limits		
SEP Minimum Compensation	\$750	\$750
SEP Maximum Compensation	\$330,000	\$345,000
SIMPLE Contribution Limit	\$15,500	\$16,000
SIMPLE Catch-Up Contribution ²	\$3,500	\$3,500
IRA and Roth Limits		
IRA and Roth Contribution Limit	\$6,500	\$7,000
Catch-Up Contribution ²	\$1,000	\$1,000
Adjusted Gross Income (AGI) Phase-Out Range for a Single Taxpayer covered by a workplace retirement plan	\$73,000 - \$83,000	\$77,000 - \$87,000
AGI Phase-Out Range for a Married Couple filing jointly; Spouse making contribution <u>is</u> covered by a workplace retirement	\$116,000 - \$136,000	\$123,000 - \$143,000
AGI Phase-Out Range for a Married Couple filing jointly; Spouse making contribution is <u>not</u> covered by a workplace retirement plan, but other spouse is covered	\$218,000 - \$228,000	\$230,000 - \$240,000
Roth AGI Phase-Out Range for married couples filing jointly	\$218,000 - \$228,000	\$230,000 - \$240,000
Roth AGI Phase-Out Range for singles and heads of household	\$138,000 - \$153,000	\$146,000 - \$161,000

¹Employee deferrals to all 401(k) and 403(b) plans must be aggregated for purposes of this limit.

²Contributors must be age 50 or older during the calendar year.

³All compensation from a single employer (including all members of a controlled group) must be aggregated for purposes of this limit.

This material has been provided for general informational purposes only and does not constitute either tax or legal advice. Investors should consult a tax preparer, professional tax advisor, and/or a lawyer



Jill Whittredge
 BDS Consulting Group, Inc.
 324 Grove Street
 Worcester, MA 01605
 (508) 755-8883 x229