

# Employee Benefit Plan and IRA Quick Reference Table

## 2020 & 2021

The Internal Revenue Service has announced the cost-of-living adjustments applicable to dollar limitations for various qualified retirement plans and other amounts for 2021. While the pension plan deferral and catch-up limits did not change, many of the annual pension plan limits and compensation thresholds did. Plan sponsors should verify that their administrative and payroll systems reflect the appropriate limits. Communications that specify benefit plan limits should be reviewed for accuracy before materials are given to participants.

	2020	2021
<b>Compensation limit—IRC Sec. 401(a)(17)</b>	\$ 285,000	\$ 290,000
<b>Defined benefit plan annual benefit limit</b>	\$ 230,000	\$ 230,000
<b>Defined contribution plan annual contribution limit</b>	\$ 57,000	\$ 58,000
<b>Social security tax wage base</b>	\$ 137,700	\$ 142,800
<b>Highly compensated employee compensation threshold</b>	\$ 130,000	\$ 130,000
<b>Key employee officer compensation threshold</b>	\$ 185,000	\$ 185,000
<b>SEP compensation threshold</b>	\$ 600	\$ 650
<b>401(k), 403(b), 457(b), and SARSEPs</b>		
Elective deferral limit <sup>(1)</sup>	\$ 19,500	\$ 19,500
Catch-up contribution <sup>(2)</sup>	\$ 6,500	\$ 6,500
<b>SIMPLE plan</b>		
Elective deferral limit <sup>(1)</sup>	\$ 13,500	\$ 13,500
Catch-up contribution <sup>(2)</sup>	\$ 3,000	\$ 3,000
<b>IRA</b>		
Elective deferral limit <sup>(1)</sup>	\$ 6,000	\$ 6,000
Catch-up contribution <sup>(2)</sup>	\$ 1,000	\$ 1,000
<b>Traditional IRA deduction phaseout (AGI)</b>		
Single, Head of Household—Active participant	\$65,000/\$75,000	\$66,000/\$76,000
Married Filing Separate—Any spouse participates	\$0 / \$10,000	\$0 / \$10,000
Married Filing Joint—Nonparticipating spouse	\$196,000 / \$206,000	\$198,000 / \$208,000
Married Filing Joint—Participating spouse	\$104,000 / \$124,000	\$105,000 / \$125,000
<b>Roth IRA contribution eligibility (AGI)</b>		
Married Filing Joint	\$196,000 / \$206,000	\$198,000 / \$208,000
Single, Head of Household	\$124,000 / \$139,000	\$125,000 / \$140,000
Married Filing Separate—Any spouse participates	\$0 / \$10,000	\$0 / \$10,000
<b>Retirement saver's credit eligibility (AGI)</b>		
Married Filing Joint	\$ 65,000	\$ 66,000
Head of Household	\$ 48,750	\$ 49,500
Married Filing Separate, Single	\$ 32,500	\$ 33,000

(1) This applies to the total of all elective deferrals an individual makes for the year to 401(k) plans, 403(b) plans, SARSEPs, and SIMPLE plans. However, deferrals to each SIMPLE plan in which the individual participates are  
(2) Catch-up contributions are available each year to individuals who reach age 50 by December 31.