



Benefit and Contribution Limits for 2024

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The Commissioner of Internal Revenue announced the 2024 dollar limitations for benefits and contributions that apply to retirement plans. The Social Security Administration increased the Social Security taxable wage base. Increases for health savings accounts were announced this summer. The following chart provides the 2024 limits and the similar limits for 2023.

Benefit Limits Under the Internal Revenue Code and Social Security		
Description	2023 Limit	2024 Limit
Compensation Cap under 401(a)(17)	\$330,000	\$345,000
Elective Deferral Limit under 402(g)(1) for 401(k) plans, SEPs, and 403(b) plans	\$22,500	\$23,000
Applicable Dollar Amount for 457(b) plans	\$22,500	\$23,000

Catch-Up Contributions for Individuals Age 50 and Older	\$7,500	\$7,500
Defined Benefit Maximum Annual Accrual	\$265,000	\$275,000
Defined Contribution Maximum Annual Addition	\$66,000	\$69,000
Highly Compensated Employee Threshold	\$150,000	\$155,000
Key Employee in Top-Heavy Plans Threshold	\$215,000	\$220,000
ESOP threshold for determining maximum account balance subject to 5-year distribution period	\$1,330,000	\$1,380,000
Regular Limit Additional amount to lengthen 5-year period	\$265,000	\$275,000
SEP Compensation Threshold for Participation	\$750	\$750

SIMPLE IRA Salary Reduction Contribution	\$15,500	\$16,000
Catch-Up Contributions for SIMPLE IRAs or SIMPLE 401(k) plans	\$3,500	\$3,500
IRA Maximum Deduction	\$6,500	\$7,000
Social Security Taxable Wage Base	\$160,200	\$168,600
Health Savings Account Maximum Contributions	\$7,750	\$8,300
Family Coverage	\$3,850	\$4,150
Single Coverage		

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