



Department of the Treasury
Internal Revenue Service

Annual Plan Limits

ANNUAL DOLLAR LIMITS – Based on IRS cost of living adjustments, the Internal Revenue Code (IRC) limits for 2012 are as follows:

Limits	2012	2011
401(k)/403(b)/457 Deferrals	\$17,000	\$16,500
401(k)/403(b)/457 Catch-Up Contributions	\$5,500	\$5,500
Maximum Annual Addition (Under Age 50)	\$50,000	\$49,000
Maximum Annual Addition (Age 50 or Older)	\$55,500	\$54,500
Highly Compensated Employee Income Limit	\$115,000	\$110,000
Social Security Wage Base	\$110,100	\$106,800
Annual Compensation Limit	\$250,000	\$245,000

- **401(k), 403(b) and 457(b) plans:** The maximum elective deferral limit under IRC §402(g) for 401(k), 403(b) and 457(b) plans is \$17,000. In a 457(b) plan, the limit also includes any employer contributions.
- **401(k), 403(b) and governmental 457(b) catch-up contributions:** The catch up contribution limit is \$5,500 for 2012. A participant who is age 50 or older during 2012 will have a total contribution limit of \$22,500.
- **Compensation limits:** The maximum annual compensation amount that can be used to determine benefits or calculate contributions for a plan is \$250,000.

- **Annual individual contribution amounts:** The maximum annual addition limit under defined contribution plans is the lesser of 100% of pay or \$50,000 (\$55,500 for 401(k) or 403(b) participants age 50 or older in 2012). This limit includes the sum of all contributions and forfeitures allocated to a participant's account during the year.
- **Annual defined benefit plan limit:** The maximum annual payout under defined benefit plans is \$200,000 at age 62 or older. This payout is the annual benefit payable to a participant receiving monthly benefits from the plan.
- **Highly Compensated Employees:** The compensation limit for determining Highly Compensated Employees is \$115,000.
- **Key Employees:** The compensation limit for determining if an officer is a Key Employee is \$165,000.
- **Taxable Wage Base:** The Social Security taxable wage base is \$110,100.