

FYI[®] Alert

For Your Information[®]

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IRS Announces Key Retirement Plan Limits for 2016

The IRS has issued a [press release](#) announcing the retirement plan limits for 2016.

Retirement Plan Limits

The table below lists the key 2016 limits, which are unchanged from the corresponding 2015 limits:

	2016	2015
401(k)/403(b) elective deferral maximum	\$ 18,000	\$ 18,000
§415 defined benefit dollar maximum	\$ 210,000	\$ 210,000
§415 defined contribution annual addition maximum	\$ 53,000	\$ 53,000
§457(b) nonqualified deferred compensation limit	\$ 18,000	\$ 18,000
§401(a)(17) annual compensation limit	\$ 265,000	\$ 265,000
§414(q) highly-compensated employee limit	\$ 120,000	\$ 120,000
§414(v) catch-up contribution limit	\$ 6,000	\$ 6,000
§416(i) top-heavy officer limit	\$ 170,000	\$ 170,000

The section 401(a)(17) annual compensation limit for certain grandfathered participants in governmental plans in existence on July 1, 1993 remains unchanged at \$395,000 for 2016.

In Closing

Our *For Your Reference*, a wallet-sized booklet showing retirement plan and other benefit limits, as well as various key Social Security and Medicare figures, will be available shortly from your consultant after IRS announces the remaining 2016 limits.

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