

FYI[®] Alert

For Your Information[®]

Volume 39 | Issue 125 | October 27, 2016

IRS Announces Key Retirement Plan Limits for 2017

The IRS has issued a [press release](#) announcing the retirement plan limits for 2017. Other plan limits were released earlier this week and are summarized in our [October 25, 2016 FYI Alert](#).

Retirement Plan Limits

The table below lists the key 2017 limits side by side with the limits in effect for 2016 with changes bolded:

| | 2017 | 2016 |
|---|-------------------|------------|
| 401(k)/403(b) elective deferral maximum | \$ 18,000 | \$ 18,000 |
| §415 defined benefit dollar maximum | \$ 215,000 | \$ 210,000 |
| §415 defined contribution annual addition maximum | \$ 54,000 | \$ 53,000 |
| §457(b) nonqualified deferred compensation limit | \$ 18,000 | \$ 18,000 |
| §401(a)(17) annual compensation limit | \$ 270,000 | \$ 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 | \$ 175,000 | \$ 170,000 |

The Section 401(a)(17) annual compensation limit for certain grandfathered participants in governmental plans in existence on July 1, 1993, rises to \$400,000 for 2017 from \$395,000.

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.

Authors

Marjorie Martin, FSPA, EA, MAAA

Andrew Eisner, ASA, EA, MAAA

Produced by the Knowledge Resource Center of Xerox HR Consulting

The Knowledge Resource Center is responsible for national multi-practice compliance consulting, analysis and publications, government relations, research, surveys, training, and knowledge management. For more information, please contact your account executive or email fyi@xerox.com.

You are welcome to distribute *FYI@* publications in their entirety. To manage your subscriptions, or to sign up to receive our mailings, visit our [Subscription Center](#).

This publication is for information only and does not constitute legal advice; consult with legal, tax and other advisors before applying this information to your specific situation.