

FYI[®] Alert

For Your Information[®]

IRS releases key retirement plan limits for 2021

The IRS has issued [Notice 2020-79](#) announcing the retirement plan limits for 2021.

Retirement plan limits

The table below lists the key 2021 limits side by side with those in effect for 2020 — only two of these limits have increased from 2020 to 2021.

	2021	2020
401(k)/403(b) elective deferral maximum	\$19,500	\$19,500
§415 defined benefit dollar maximum	\$230,000	\$230,000
§415 defined contribution annual addition maximum	\$58,000	\$57,000
§457(b) nonqualified deferred compensation limit	\$19,500	\$19,500
§401(a)(17) annual compensation limit	\$290,000	\$285,000
§414(q) highly compensated employee limit	\$130,000	\$130,000
§414(v) catch-up contribution limit	\$6,500	\$6,500
§416(i) top-heavy officer limit	\$185,000	\$185,000

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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.

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