

FYI[®] Alert

For Your Information[®]

IRS announces some 2024 benefit plan limits

The IRS has issued [Revenue Procedure 2023-34](#), which contains 2024 limits for health flexible spending arrangements, qualified transportation fringe benefits, adoption assistance programs, and long-term care premiums.

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Authors

David Rotman, JD

Melissa Maher, CEBS

Health flexible spending arrangements

The annual limit on employee salary reduction contributions to health flexible spending arrangements under Section 125(i) for plan years beginning in 2024 has increased by \$150 from the 2023 limit. The maximum carryover amount has also increased.

	2024	2023
Maximum salary reduction amount	\$3,200	\$3,050
Maximum carryover amount	\$640	\$610

Qualified transportation fringe benefits

The monthly limits under Section 132(f) for tax years beginning in 2024 increased from the 2023 limits.

	2024	2023
Commuter highway vehicle and transit pass	\$315	\$300
Qualified parking	\$315	\$300

Adoption assistance programs

For employer-provided adoption assistance programs, the maximum amount excludible from an employee's income in 2024 (compared with 2023) for the adoption of a child is shown below. The excludible amount phases out for taxpayers with modified adjusted gross income that exceeds certain levels.

	2024	2023
Excludible amount	\$16,810	\$15,950
Phase-out income thresholds		
Phase-out begins	\$252,150	\$239,230
Phase-out complete	\$292,150	\$279,230

Long-term care premiums

The limits under Section 213(d) for eligible long-term care premiums that qualify as medical expenses for tax years beginning in 2024 (compared with 2023) are shown below, based on attained age before the close of the taxable year. Note the premiums have decreased from 2023, although minimally.

	2024	2023
Age 40 or younger	\$470	\$480
> 40 but < 50	\$880	\$890
> 50 but < 60	\$1,760	\$1,790
> 60 but < 70	\$4,710	\$4,770
> 70	\$5,880	\$5,960

Health savings accounts

The 2024 limits for contributions to health savings accounts and for high-deductible health plans were released earlier this year. (See our [May 24, 2023 FYI](#).)

In closing

Our For Your Reference document outlining key retirement, health and other benefit plan limits and various key social security and Medicare figures, will be available shortly on [Buck.com](https://www.buck.com).

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