

Mele Consulting

Independent actuarial consulting and third-party administration

Retirement Plan Benefit Limits

Current year and prior year dollar limits, side by side. All amounts are annual limits under the Internal Revenue Code, effective January 1 of the year shown.

Limit	2026	2025
Defined benefit plans		
Maximum annual benefit — §415(b)(1)(A)	\$290,000	\$280,000
Defined contribution plans		
Maximum annual additions — §415(c)(1)(A)	\$72,000	\$70,000
Elective deferrals		
401(k), 403(b) and governmental 457(b) plans — §402(g)	\$24,500	\$23,500
457(b) plans — §457(e)(15)	\$24,500	\$23,500
SIMPLE IRA and SIMPLE 401(k) plans — §408(p)	\$17,000	\$16,500
Catch-up contributions		
Age 50 and older — 401(k), 403(b), 457(b)	\$8,000	\$7,500
Ages 60–63 — 401(k), 403(b), 457(b) (SECURE 2.0)	\$11,250	\$11,250
403(b) 15-years-of-service catch-up, maximum total deferral	\$27,500	\$26,500
SIMPLE plans, age 50 and older	\$4,000	\$3,500
SIMPLE plans, ages 60–63 (SECURE 2.0)	\$5,250	\$5,250
IRA, age 50 and older	\$1,100	\$1,000
Individual retirement arrangements		
IRA contribution limit	\$7,500	\$7,000
Compensation and testing thresholds		
Annual compensation limit — §401(a)(17)	\$360,000	\$350,000
Annual compensation limit, certain governmental plans (pre-July 1, 1993)	\$535,000	\$520,000
Highly compensated employee threshold — §414(q) *	\$160,000	\$160,000
Key employee (officer) threshold, top-heavy plans — §416(i)	\$235,000	\$230,000
SEP minimum compensation for coverage	\$800	\$750
Roth catch-up wage threshold (prior-year FICA wages) †	\$150,000	\$145,000
Social Security		
Taxable wage base	\$184,500	\$176,100

* The highly compensated employee threshold works on a one-year lookback: compensation paid in the year shown determines who is highly compensated in the following year. For example, pay over \$160,000 in 2025 makes an employee highly compensated for 2026.

† Beginning in 2026, catch-up contributions for participants whose prior-year FICA wages from the employer exceeded this threshold must be made as Roth (after-tax) contributions.

The §415(b) limit is the lesser of the dollar amount shown or 100% of the participant's average compensation for the high three years. The §415(c) limit is the lesser of the dollar amount shown or 100% of compensation.

Sources: IRS Notice 2025-67 (2026 limits) and IRS Notice 2024-80 (2025 limits); Social Security taxable wage base per the Social Security Administration. Figures cross-checked against the CalcAir annual-limits table (portal.calcairebs.com/annual-limits). This exhibit is for reference only; the IRS notices govern. Page last updated October

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