

November 4, 2021

SELECTED PENSION PLAN LIMITATIONS FOR 2018 – 2022

Benefit Limit	2018	2019	2020	2021	2022
IRC §415(b)(1)(A) Defined Benefit Dollar Limit for Plan Years Ending in	\$220,000	\$225,000	\$230,000	\$230,000	\$245,000 ¹
IRC §415(c)(1)(A) Defined Contribution Dollar Limit for Plan Years Ending in	\$55,000	\$56,000	\$57,000	\$58,000	\$61,000 ²
Elective Deferral Limit for 401(k), 403(b) and 457(b) Plans IRC §§402(g)(1), 457(e)(15)	\$18,500	\$19,000	\$19,500	\$19,500	\$20,500 ³
Catch-Up Limit for 401(k), 403(b) and 457(b) (gov. only) Plans (age 50+)	\$6,000	\$6,000	\$6,500	\$6,500	\$6,500 ⁴
Minimum Compensation Amount for SEPs (Non-SIMPLE) IRC §408(k)(2)(C)	\$600	\$600	\$600	\$650	\$650
Maximum Compensation Limit for SEPs - IRC §§408(k)(3)(C), 408(k)(6)(D)(ii), Qualified Plans, IRC §§401(a)(17), 404(l) Plan Years beginning in	\$275,000	\$280,000	\$285,000	\$290,000	\$305,000 ⁵
Highly Compensated Employee Definitional Limits IRC §414(q)(1)(B)	\$120,000	\$125,000	\$130,000	\$130,000	\$135,000 ⁶
ESOP Payout Limits IRC §409(o)(1)(C)(ii)	\$220,000 \$1,105,000	\$225,000 \$1,130,000	\$230,000 \$1,150,000	\$230,000 \$1,165,000	\$245,000 ⁷ \$1,230,000 ⁸
Social Security Taxable Wage Base	\$128,400	\$132,900	\$137,700	\$142,800	\$147,000
Contribution Limit for SIMPLE IRC §408(p)(2)(E)	\$12,500	\$13,000	\$13,500	\$13,500	\$14,000 ⁹
Catch-Up Limits for SIMPLE 401(k) Plan (age 50+)	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000 ¹⁰
Key Employee Officer Comp. IRC §416(i)(1)(A)(i)	\$175,000	\$180,000	\$185,000	\$185,000	\$200,000 ¹¹
Contribution Limit to an IRA	\$5,500	\$6,000	\$6,000	\$6,000	\$6,000
Catch-Up Limit to an IRA (age 50+)	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000

Legend:

- ¹ The benefit limit is the lesser of (i) the 2022 dollar limit, or (ii) 100% of the employee's average compensation for his high 3 years.
- ² The benefit limit is the lesser of (i) the 2022 dollar limit, or (ii) 100% of employee compensation. NOTE: 1. The 100% is reduced to 25% for SEPs by the contribution limitations of IRC §402(h)(2)(A), and 2. SIMPLEs are not subject to IRC §415.
- ³ COLA increase, if any, is in \$500 increments.
- ⁴ COLA increase, if any, is in \$500 increments.
- ⁵ COLA increase, if any, is in \$5,000 increments.
- ⁶ For determining HCE's in 2022, use the 2021 Compensation (\$130,000), due to the look-back year rule.
- ⁷ Amount used to determine the lengthening of the 5-year distribution period.
- ⁸ Amount used for determining the maximum account balance in an ESOP subject to a 5-year distribution period.
- ⁹ COLA increase, if any, is in \$500 increments.
- ¹⁰ COLA increase, if any, is in \$500 increments.
- ¹¹ Compensation for plan year ending on the determination date (last day of the prior plan year).

This Summary is designed to provide an overview of the Selected Pension Plan Limitations for 2022 and is not intended to be comprehensive.