

2025
Contribution & Benefit Limits
For 401(k) and other Qualified Plans

The Internal Revenue Service announced cost of living adjustments affecting dollar limitations for pension plans and other retirement-related items for tax year 2025. The IRS issued technical guidance detailing these items in Notice 2024-80.

Highlights of Changes for 2025

The maximum Annual Elective Deferral Limit has increased to \$23,500
The Catch-up Contribution limit for individuals aged 50 and over remains at \$7,500*.
The Annual Defined Contribution Limit has increased to \$70,000.
The Defined Benefit Plan Annual Limit has increased to \$280,000.

Cost-of-Living Adjustments for Retirement Items

Code Section	2025	2024	2023
401(a)(17)/ 404(l) Annual Compensation	350,000	345,000	330,000
402(g)(1) Elective Deferrals	23,500	23,000	22,500
408(k)(2)(C) SEP Minimum Compensation	750	750	750
408(k)(3)(C) SEP Maximum Compensation	350,000	345,000	330,000
408(p)(2)(E) SIMPLE Maximum Contributions	16,500	16,000	15,500
409(o)(1)(C) ESOP Limits	1,415,000	1,380,000	1,330,000
	280,000	275,000	265,000
414(q)(1)(B) HCE threshold	160,000	155,000	150,000
414(v)(2)(B)(i) Catch-up Contribution	7,500	7,500	7,500
414(v)(2)(B)(ii) Catch-up Contribution	3,500	3,500	3,500
415(b)(1)(A) DB Limits	280,000	275,000	265,000
415(c)(1)(A) DC Limits	70,000	69,000	66,000
416(i)(1)(A)(i) Key EE	230,000	220,000	215,000
457(e)(15) Deferral Limit	23,500	23,000	22,500
457(e)(11)(B)(ii) Catch-up Contribution	7,500	7,500	7,000
1.61-21(f)(5)(i) Control EE	140,000	135,000	130,000
1.61-21(f)(5)(iii) Control EE	285,000	275,000	265,000
219(b)(5)(A) IRA Contribution Limit	7,000	7,000	6,500
219(b)(5)(B) IRA Catch-Up Contributions	1,000	1,000	1,000
Social Security (OASDI) Taxable Wage Base	176,100	168,600	160,200

*An Enhanced Catch-up may be available for those aged 60, 61, 62, 63 up to \$11,250