



News

EMPLOYEE BENEFITS NEWSLETTER | DECEMBER 2025

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## Summary of Selected Indexed Employee Benefit Related Limits

	2019	2020	2021	2022	2023	2024	2025	2026
<b>Annual Elective Deferral Limits<sup>1</sup></b>								
401(k), 403(b) and SEPs	19,000	19,500	19,500	20,500	22,500	23,000	23,500	<b>24,500</b>
457 plans	19,000	19,500	19,500	20,500	22,500	23,000	23,500	<b>24,500</b>
SIMPLE IRAs and 401(k)s	13,000	13,500	13,500	14,000	15,500	16,000	16,500	<b>17,000</b>
<b>Catch-up Contributions (≥ age 50)<sup>1</sup></b>								
401(k), 403(b), 457 and SEPs	6,000	6,500	6,500	6,500	7,500	7,500	7,500	<b>8,000</b>
SIMPLE IRAs and 401(k)s	3,000	3,000	3,000	3,000	3,500	3,500	3,500	<b>4,000</b>
Mandatory Roth Catch-up (prior year W-2 wages) <sup>6</sup>						\$145,000	\$150,000	*
<b>Special Catch-up Contributions (ages 60-63)<sup>1</sup></b>								
401(k), 403(b), and governmental 457(b)							11,250	<b>11,250</b>
SIMPLE IRAs and SIMPLE 401(k)s							5,250	<b>5,250</b>
<b>Maximum Annual Compensation<sup>1</sup></b>								
401(a)(17)	280,000	285,000	290,000	305,000	330,000	345,000	350,000	<b>360,000</b>
<b>415 Maximum Annual Additions<sup>1</sup></b>								
Defined benefit plan dollar limit	225,000	230,000	230,000	245,000	265,000	275,000	280,000	<b>290,000</b>
Defined contribution plan dollar limit	56,000	57,000	58,000	61,000	66,000	69,000	70,000	<b>72,000</b>
<b>Highly Compensated Employees<sup>1</sup></b>								
414(q)	125,000	130,000	130,000	135,000	150,000	155,000	160,000	<b>160,000</b>
<b>Key Employees (Top Heavy)<sup>1</sup></b>								
Officers	180,000	185,000	185,000	200,000	215,000	220,000	230,000	<b>235,000</b>
1% owner	150,000	150,000	150,000	150,000	150,000	150,000	150,000	<b>150,000</b>
<b>Employee Stock Ownership Plans<sup>1</sup></b>								
Five-year distribution threshold	1,130m	1,150m	1,165m	1,230m	1,330m	1,380m	1,415m	<b>1,455m</b>
Step-up	225,000	230,000	230,000	245,000	265,000	275,000	280,000	<b>290,000</b>
<b>IRAs<sup>1</sup></b>								
Annual contribution limit	6,000	6,000	6,000	6,000	6,500	7,000	7,000	<b>7,500</b>
Catch-up contributions (≥ age 50)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	<b>1,100</b>
<b>PBGC<sup>2,3</sup></b>								
Monthly maximum guaranteed benefit	5,607.95	5,812.50	6,034.09	6,204.55	6,750.00	7,107.95	7,431.82	<b>7,789.77</b>
Annual maximum guaranteed benefit	67,295	69,750	72,409	74,455	81,000	85,295	89,182	<b>93,477</b>
Flat Premium Per Participant (single-employer)	80	83	86	88	96	101	106	<b>111</b>
Flat Premium Per Participant (multi-employer)	29	30	31	32	35	37	39	<b>40</b>
<b>Transportation Fringe Benefits<sup>4</sup></b>								
Employer-provided parking (monthly)	265	270	270	280	300	315	325	<b>340</b>
Mass transit pass & vanpool (monthly)	265	270	270	280	300	315	325	<b>340</b>
<b>Social Security<sup>5</sup></b>								
Taxable wage base	132,900	137,700	142,800	147,000	160,200	168,600	176,100	<b>184,500</b>

Sources: <sup>1</sup> IRS Notice 2025-67, <sup>2</sup> PBGC Maximum Monthly Guarantee Tables available at PBGC.gov (SLA, age 65), <sup>3</sup> PBGC Premium Rates, available at PBGC.gov, <sup>4</sup> Rev. Proc. 2025-32, <sup>5</sup> SSA Press Release (10/24/2025), <sup>6</sup> Catch-Up Contributions (Final Regulation), RIN 1545-BR11 (eff. Nov. 17, 2025).

\*The 2026 FICA wage threshold to determine participants subject to the Roth catch-up requirement in 2027 will be announced in 2026.



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