



## Benefit and Contribution Limits for 2022

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The Commissioner of Internal Revenue announced the 2022 dollar limitations for benefits and contributions that apply to retirement plans. The Social Security Administration increased the Social Security taxable wage base. Increases for health savings accounts were announced this summer. The following chart provides the 2022 limits and the similar limits for 2021.

<b>Benefit Limits Under the Internal Revenue Code and Social Security</b>		
<b>Description</b>	<b>2021 Limit</b>	<b>2022 Limit</b>
Compensation Cap under 401(a)(17)	\$290,000	<b>\$305,000</b>
Elective Deferral Limit under 402(g)(1) for 401(k) plans, SEPs, and 403(b) plans	\$19,500	<b>\$20,500</b>
Applicable Dollar Amount for 457(b) plans	\$19,500	<b>\$20,500</b>

Catch-Up Contributions for Individuals Age 50 and Older	\$6,500	<b>\$6,500</b>
Defined Benefit Maximum Annual Accrual	\$230,000	<b>\$245,000</b>
Defined Contribution Maximum Annual Addition	\$58,000	<b>\$61,000</b>
Highly Compensated Employee Compensation Limit	\$130,000	<b>\$135,000</b>
Key Employee in Top-Heavy Plans Compensation Limit	\$185,000	<b>\$200,000</b>
ESOP threshold for determining maximum account balance subject to 5-year distribution period	\$1,165,000	<b>\$1,230,000</b>
Regular Limit Additional amount to lengthen 5-year period	\$230,000	<b>\$245,000</b>
SEP Compensation Threshold for Participation	\$650	<b>\$650</b>

SIMPLE IRA Maximum Pre-Tax Contribution	\$13,500	<b>\$14,000</b>
Catch-Up Contributions for SIMPLE IRAs or SIMPLE 401(k) plans	\$3,000	<b>\$3,000</b>
IRA Maximum Deduction	\$6,000	<b>\$6,000</b>
Social Security Taxable Wage Base	\$142,800	<b>\$147,000</b>
Health Savings Account Maximum Contributions	\$7,200	<b>\$7,300</b>
Family Coverage Single Coverage	\$3,600	<b>\$3,650</b>

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