



## IRS Announces 2018 Plan Contribution and Benefit Limits

	2018	2017	2016
IRA Maximum Contributions	\$5,500	\$5,500	\$5,500
IRA Catch-Up Contributions Limit	\$1,000	\$1,000	\$1,000
SEP Minimum Compensation for Eligibility	\$600	\$600	\$600
SEP Maximum Contributions	<b>\$55,000</b>	\$54,000	\$53,000
SEP Maximum Annual Compensation	<b>\$275,000</b>	\$270,000	\$265,000
SIMPLE Maximum Contributions	\$12,500	\$12,500	\$12,500
SIMPLE Catch-up Contributions Limit	\$3,000	\$3,000	\$3,000
Qualified Plan Maximum Annual Compensation	<b>\$275,000</b>	\$270,000	\$265,000
HCE Threshold > 5% ownership	NA	NA	NA
HCE Threshold - Any Employee Compensation (prior year)	\$120,000	\$120,000	\$120,000
Key Employee > 5% ownership	NA	NA	NA
Key Employee > 1% ownership	\$150,000	\$150,000	\$150,000
Key Employee - Officer Compensation	\$175,000	\$175,000	\$170,000
Social Security Taxable Wage Base	<b>\$128,400</b>	\$127,200	\$118,500
Defined Benefit Plan Maximum Annual Benefit (62-65)	<b>\$220,000</b>	\$215,000	\$210,000
Defined Contribution Plan Maximum Contributions	<b>\$55,000</b>	\$54,000	\$53,000
Elective Deferrals Limit - 401(k) - 403(b) - 457	<b>\$18,500</b>	\$18,000	\$18,000
Catch-up Contributions Limit - 401(k) - 403(b) - 457	\$6,000	\$6,000	\$6,000

**NOTE:** On **October 19, 2017**, the Internal Revenue Service announced cost-of-living adjustments affecting dollar limitations and compensation thresholds for pension plans and other retirement-related items for tax year **2018**.

The highlights of other amounts that changed from 2017 to **2018** include the following:

- For **single** taxpayers covered by a workplace retirement plan, the income phase-out range for deductible contributions to an IRA is **\$63,000 to \$73,000**, up from \$62,000 to \$72,000.

- For **married couples filing jointly where the spouse making the IRA contribution is covered by a workplace retirement plan**, the income phase-out range is **\$101,000 to \$121,000**, up from \$99,000 to \$119,000.

- For an IRA contributor who is not covered by a workplace retirement plan and is **married to someone who is covered**, the deduction is phased out if the couple's income is **\$189,000 to \$199,000**, up from \$186,000 to \$196,000.

- The income phase-out range for taxpayers making contributions to a Roth IRA is **\$189,000 to \$199,000** for **married couples filing jointly**, up from \$186,000 to \$196,000. For **singles and heads of household**, the income phase-out range is **\$120,000 to \$135,000**, up from \$118,000 to \$133,000.

- The income limit for the saver's credit (also known as the retirement savings contribution credit) for low- and moderate-income workers is **\$63,000** for **married couples filing jointly**, up from \$62,000; **\$47,250** for **heads of household**, up from \$46,500; and **\$31,500** for **married individuals filing separately and for singles**, up from \$31,000.