

2025 Retirement Plan Limits

Regulation	What is it?	Does limit apply to calendar year or plan year?	What is the 2025 Limit?	What was the 2024 Limit?
Annual Additions Limit for Defined Contribution Plans - Section 415(c)(1)(A)	Maximum total contributions and forfeitures that can be allocated to a participant's account during the Plan Year	Plan Year	Lesser of \$70,000 or 100% of compensation for the Plan Year ending on or after 1/1/25	Lesser of \$69,000 or 100% of compensation for the Plan Year ending on or after 1/1/24
Annual Compensation Limit - Section 401(a)(17)	Maximum amount of compensation that may be considered when allocating contributions and performing discrimination testing	Plan Year	\$ 350,000 for Plan Year beginning on or after 1/1/25	\$ 345,000 for Plan Year beginning on or after 1/1/24
Elective Deferral Limit - Section 402(g)	Maximum amount individual employee may contribute to 401(k), 403(b) and SARSEP Plans	Calendar Year	\$ 23,500 for 2025 Calendar Year	\$ 23,000 for 2024 Calendar Year
401(k) Catch Up Contribution Limit - Section 414(v)(2)(B)(i)	Maximum amount, in addition to 402(g) limit described above, that employees age 50 or older may contribute to 401(k) Plan	Calendar Year	\$ 7,500 for 2025 Calendar Year	\$ 7,500 for 2024 Calendar Year
Amendment of Section 603 of the SECURE 2.0 Act of 2022 - Section 414(v)	Enhanced catch up contribution for employees aged 60 - 63 starting in 2025	Calendar Year	\$11,250	N/A
Compensation Limit - Section 414(q)(1)(B)	Annual compensation amount used to define "Highly Compensated Employee"	Plan Year	\$ 160,000 for Plan Year beginning on or after 1/1/25	\$ 155,000 for Plan Year beginning on or after 1/1/24
Compensation Limit - Section 416(i)(1)(A)(i)	Annual compensation amount used to define "Key Employee" status for officers of the employer	Plan Year	\$ 230,000 for Plan Year beginning on or after 1/1/25	\$220,000 for Plan Year beginning on or after 1/1/24
Social Security Taxable Wage Base	Amount of income subject to Social Security Tax. For Retirement Plans, this amount is used when allocating a profit sharing contribution, IF the plan uses a "Permitted Disparity" (aka Integrated) formula	Plan Year for Retirement Plan purposes (calendar year for payroll purposes)	\$ 176,100 for Plan Year beginning on or after 1/1/25	\$168,600 for Plan Year beginning on or after 1/1/24