

IRS releases 2025 limits for deferred compensation arrangements and certain welfare plans.

	<u>Applicable period</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Individual deferral limit: 401(k), 403(b), and 457(b)	Calendar year, regardless of plan year	\$23,500	\$23,000	\$22,500	\$20,500
Age 50+ Catch-up deferral limit 401(k) and 403(b)	Calendar year, regardless of plan year	\$7,500	\$7,500	\$7,500	\$6,500
Age 60-63 Catch-up 414(v)(2)(E)(i) limit	Calendar year, regardless of plan year	\$11,250	N/A	N/A	N/A
Maximum covered compensation: 401(a), 403(b) and SEPs	Generally, limit as of 1 st day of plan year. See note below.	\$350,000	\$345,000	\$330,000	\$305,000
Highly compensated employee earnings	Plan year based on “lookback” year. See note below.	\$160,000	\$155,000	\$150,000	\$135,000
Key employee (officer) earnings	Plan year. See note below.	\$230,000	\$220,000	\$215,000	\$200,000
Defined contribution 415 limit	Use limit as of last day of plan year	\$70,000	\$69,000	\$66,000	\$61,000
Defined benefit 415 limit	Use limit as of last day of plan year	\$280,000	\$275,000	\$265,000	\$245,000
Healthcare flexible spending	Use limit as of 1st day of plan year	\$3,300	\$3,200	\$3,050	\$2,850
HSA contribution limits	Calendar year	Self-only: \$4,300	Self-only: \$4,150	Self-only: \$3,850	Self-only: \$3,650
		Family: \$8,550	Family: \$8,300	Family: \$7,750	Family: \$7,300
High Deductible Health Plan minimums/out of pocket maximums	Calendar year, regardless of plan year	Self-only: \$1,650/\$8,300	Self-only: \$1,600/\$8,050	Self-only: \$1,500/\$7,500	Self-only: \$1,400/\$7,050
		Family: \$3,300/\$16,600	Family: \$3,200/\$16,500	Family: \$3,000/\$15,000	Family: \$2,800/\$14,100
Transportation fringe benefit limit	Calendar year, regardless of plan year.	\$325/per month	\$315/per month	\$300/per month	\$280/per month
Social Security (OASDI) taxable wage base	Calendar year	\$176,100	\$168,600	\$160,200	\$147,000

Notes:

Maximum compensation: *Many plans determine compensation for benefit accruals and allocations based on the plan year. These plans must use the annual compensation limit in effect for the calendar year in which the plan year begins. Some plans use a separate 12-consecutive-month period (or sometimes multiple 12-month periods), instead of the plan year. In that case, for each 12-month period used, the plan would apply the limit in effect for each calendar in year in which each 12-month period begins.*

Lookback year: *Highly compensated employees (“HCEs”) are determined based on their compensation in a “lookback year.” For a 2025 calendar year plan, HCE status will be based on whether the employee’s 2024 compensation exceeded the 2024 amount of \$155,000. For fiscal year plans, the “lookback year” will either be the previous plan year or, if elected on a consistent basis for all of an employer’s plans, the calendar year ending in the current plan year.*

Key employees. *In addition to 5% owners, and 1% owners earning \$150,000 or more, officers earning more than an indexed amount are key employees. Key employee balances as of the last day of a previous plan year are considered, with certain distributions, in determining a plan’s top heavy status for a current year.*

A chart with these and other limits, going back to 1989 in some cases, is available at [this link](#).