



2026 Retirement Plan Limits

The 2026 limits offer increased savings opportunities for retirement plan sponsors and their employees.

	2026	2025
Contribution & Benefit Limits		
Defined Contribution Plans	\$72,000	\$70,000
Defined Benefit/Cash Balance Plan Annuity	\$290,000	\$280,000
401(k), 403(b), and 457 Plan Elective Deferrals	\$24,500	\$23,500
SIMPLE Plan Elective Deferrals	\$17,000	\$16,500
IRA (Traditional and Roth)	\$7,500	\$7,000
Qualified Longevity Annuity Contract (QLAC)	\$210,000	\$210,000
ESOP Maximum Balance subject to the 5-year Distribution Rule	\$1,455,000	\$1,415,000
ESOP amount to determine lengthening of the 5-year Distribution Period	\$290,000	\$280,000
Catch-Up Contributions		
401(k), 403(b), and 457 Plans (Ages 50-59 and 64+)*	\$8,000	\$7,500
Enhanced Catch-Up 401(k), 403(b), and 457 Plans (Ages 60 – 63 only)*	\$11,250	\$11,250
SIMPLE Plans	\$4,000	\$3,500
IRA	\$1,100	\$1,000
Other		
Maximum Considered Compensation	\$360,000	\$350,000
Social Security Taxable Wage Base (TWB)	\$184,00	\$176,100
Definition of Highly Compensated Employee	\$160,000	\$160,000
Definition of Key Employee	\$235,000	\$230,000
SEP Minimum Compensation	\$800	\$750
Defined Benefit Plan Single Employer Flat PBGC Rate Premium	\$1116	\$106
Defined Benefit Plan Single Employer Variable Rate Premiums/\$1,000 UVB	\$52	\$52

*Employees who are age 50 and older whose prior-year FICA wages exceed the IRS threshold of \$150,000 must make any catch-up contributions on a Roth (after-tax) basis.

Notes for off-calendar plan years:

- Deferral limits are on a calendar year basis, regardless of plan year.
- Use the taxable wage base (TWB) in effect at the beginning of the plan year. Use the annual compensation limit in effect at the beginning of the plan year.

Use the annual additions limit in effect at the end of the calendar year.

Additional information: More information from the IRS on the limits and Notice 2025-67 are available here: <https://www.irs.gov/pub/irs-drop/n-25-67.pdf>

Let's Talk!

We are happy to explain more about the new limits and how they apply to your plan. We can also review your plan design and discuss ways to optimize tax efficiency. Let us review the options to help you increase your retirement contributions.

