



Retirement Plan Contribution Limits

Each year, the Internal Revenue Service places limitations on how much employers and employees can contribute to a retirement plan or IRA. The limits are adjusted annually for cost-of-living increases and differ depending on the type of plan. In addition, the Social Security Administration announced its 2020 Cost-of-Living Adjustment (COLA) as 1.6%.¹

The chart below details the annual limits and contribution amounts for 2020.

	2019	2020
IRAs		
IRA Contribution Limit	6,000	6,000
IRA Catch-Up Contributions	1,000	1,000
IRA AGI DEDUCTION PHASE-OUT STARTING AT		
Joint Return	103,000	104,000
Single or Head of Household	64,000	65,000
ROTH IRA MODIFIED AGI ELIGIBILITY PHASE OUT STARTING AT		
Joint Return	193,000	196,000
Single or Head of Household	122,000	124,000
SEP		
SEP Minimum Compensation	600	600
SEP Maximum Contribution	56,000	57,000
SEP Maximum Compensation	280,000	285,000

¹ Social Security Administration, "Cost-of-Living Adjustment (COLA) Information for 2020." Accessed November 14, 2019. <https://www.ssa.gov/cola/>.

	2019	2020
SIMPLE PLANS		
SIMPLE Maximum Contributions	13,000	13,500
Catch-up Contributions	3,000	3,000
401(K), 403(B), PROFIT-SHARING PLANS, ETC.		
Annual Compensation	280,000	285,000
Elective Deferrals	19,000	19,500
Catch-up Contributions	6,000	6,500
Defined Contribution Limits	56,000	57,000
ESOP Limits	1,130,000 225,000	1,150,000 230,000
OTHERS		
HCE Threshold	125,000	130,000
Defined Benefits Limits	225,000	230,000
Key Employee	180,000	185,000
457 Elective Deferrals	19,000	19,500
Control Employee (board member or officer)	110,000	115,000
Control Employee (compensation-based)	225,000	230,000
Taxable Wage Base	132,900	137,700

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