

Publications

Most Pension Limits Increase for 2019

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The IRS recently announced (Notice 2018-83, Nov. 2, 2018) that most of the key pension limits will increase next year based on recent cumulative inflation. Notably, after several years, the IRA deduction limit has gone up, and the elective deferral limit has increased again, but the catch-up limit still has not “caught up.”

The Social Security Administration and PBGC recently made similar announcements for the SS wage base, PBGC premiums, etc.

The chart below reflects the key limits, along with other frequently used benefit and compensation items, for 2019.

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	2018	2019
401(k), 403(b), 457(b) and SARSEP Elective Deferrals	\$18,500	\$19,000
Catch-Up Contributions to 401(k), 403(b) and Governmental 457 Plans	6,000	6,000
Elective Contributions to SIMPLE Plans	12,500	13,000
Catch-Up Contributions to SIMPLE Plans	3,000	3,000
IRA Contributions	5,500	6,000
Catch-Up IRA Contributions	1,000	1,000
Annual Limitation on Compensation	275,000	280,000
415 Limitation on DB Benefits	220,000	225,000
415 Limitation on DC Plan Contributions	55,000	56,000
Highly Compensated Employee Threshold	120,000	125,000
Key Employee Compensation Threshold	175,000	180,000
Social Security Wage Base	128,400	132,900
PBGC Flat-Rate Premium (Single Employer Plans)	74	80
PBGC Variable-Rate Premium (Single Employer Plans)	38/1,000 UVBs (\$523 cap)	43/1,000 UVBs (\$541 cap)

There also will be modest increases in various AGI phase-out ranges for IRA deductions, Roth IRA eligibility, and the savers' credit, for example.