

2023 Retirement Plan Limits

Notice 2022-55 provides cost of living increases to qualified retirement plans including profit sharing and 401(k) plans:

	2023	2022	Internal Revenue Code
Defined contribution limit – general limitation on annual contribution under qualified defined contribution plan (does not include “catch-up”)	\$66,000	\$61,000	Section 415(c)
Defined benefit limit – limitation on annual benefit under qualified defined benefit plan	\$265,000	\$245,000	Section 415(b)
“Elective deferral” limit – limit on salary deferral under 401(k) (does not include “catch-up”)	\$22,500	\$20,500	Section 402(g)
“Catch-up” – additional elective deferral contribution available to a participant reaching age 50 by end of tax year	\$7,500	\$6,500	Section 414(v)
Compensation threshold for definition of “highly compensated employee” (“HCE”)	\$150,000	\$135,000	Section 414(q)
Compensation threshold for definition of officer as “key employee”	\$215,000	\$200,000	Section 416(i)
Annual compensation limit – limit to compensation that can be considered for profit sharing allocation purposes	\$330,000	\$305,000	Section 401(a)(17)
“Applicable dollar amount” (elective limit under SIMPLE)	\$15,500	\$14,000	Section 408(p)
“Catch-up” for SIMPLE	\$3,500	\$2,500	Section 414(v)

For questions about this or any other employment law matter, please contact Liam K. Healy at lhealy@kerr-russell.com.