

BREAKING NEWS

November 19, 2025

IRS ANNOUNCES RETIREMENT PLAN LIMITS FOR 2026

With the reopening of the government, the Internal Revenue Service ("IRS") announced the new contribution and benefit limits for 2026. All benefit limits will increase, with the exception of Super Catch-Up contributions. Furthermore, the IRS made a last-minute change to the Catch-Up FICA Wage threshold retroactively increasing it from \$145,000 to \$150,000. Plan Sponsors must use this limitation to determine which Highly Paid Individuals ("HPI") must fund their Catch-Up contributions as Roth rather than pre-tax.

It is important that you ensure your payroll system is updated to reflect these new limits starting January 1, 2026. If you have any questions, please feel free to contact our office.

Contribution/Benefit Limits	2026	2025
Elective Deferrals [401(k), 403(b) & 457 plans]	\$24,500	\$23,500
Standard Catch-Up Contribution (Age 50 and older)	\$8,000	\$7,500
Super Catch-Up Contribution (Age 60 – 63)	\$11,250	\$11,250
HPI Compensation Threshold*	\$150,000	N/A
Annual Contribution Limit	\$72,000	\$70,000
Highly Compensated Threshold	\$160,000	\$160,000
Annual Compensation Limit	\$360,000	\$350,000
DB Plan Annual Benefit Limit	\$290,000	\$280,000
Key Employee Compensation	\$235,000	\$230,000
Simple Employee Deferral	\$17,000	\$16,500
Simple Catch-Up Contribution	\$4,000	\$3,500

As published by the Internal Revenue Service.

***Participants eligible for Catch-Up contribution who had FICA wages in excess of \$150,000 in 2025 must fund their 2026 Catch-Up as a Roth Contributions.*

For full details on the pension plan limitations for 2026 click [here](#).

For more information contact our team @ 407.585.1160.