

Technical Update



2025 Retirement Limits

The following highlights the changes beginning in 2025 for dollar limitations on qualified pension plans and Social Security.

The Internal Revenue Service provides dollar limitations on benefits and contributions under qualified retirement plans. It also allows these limitations to be adjusted annually for cost-of-living increases.

The Social Security Administration (SSA) generally increases the maximum taxable earnings under the Social Security portion (OASDI) of Social Security and Medicare each year. The SSA also provides cost-of-living adjustments for Social Security beneficiaries based on the changes in the Consumer Price Index (CPI).

	2023	2024	2025
IRS Limitations			
Maximum annual compensation limit	\$330,000	\$345,000	\$350,000
Maximum annual benefit under DB plan	\$265,000	\$275,000	\$280,000
Maximum annual contribution under DC plan	\$66,000	\$69,000	\$70,000
Highly compensated employee limit	\$150,000	\$155,000	\$160,000
Maximum 401(k) elective deferral limit	\$22,500	\$23,000	\$23,500
Maximum 403(b)/457(b) elective deferral limit	\$22,500	\$23,000	\$23,500
Catch-up contribution for individuals age 50 and over	\$7,500	\$7,500	\$7,500
Key Employee/Officer	\$215,000	\$220,000	\$230,000
Age 60 -63 catchup (New)			\$11,250
Social Security			
Maximum taxable earnings	\$160,200	\$168,600	\$176,100
IRAs			
Annual contribution limit	\$6,500	\$7,000	\$7,000
Roth IRA contribution	\$6,500	\$7,000	\$7,000
IRA Catch up contribution		\$1,000	\$1,000
Simple Plan			
Maximum Plan contribution	\$15,500	\$16,000	\$16,500
Healthcare Flexible Account			
HSA Annual contribution limit - Single Coverage	\$3,850	\$4,150	\$4,300
HSA Annual contribution limit - Family Coverage	\$7,750	\$8,300	\$8,550
HSA Catch-up contribution (Single or Family)	\$1,000	\$1,000	\$1,000