2027 PLAN CONTRIBUTION LIMITS

Keeping Your Business Informed and Prepared

The IRS just published the new contribution and testing limits for 2027. Here are the highlights:

The following limits are going up for 2027:

The salary deferral limit for 401(k), 403(b) and 457 plans increases to $25,500
The catch-up contribution limit for 414(v) increased to $8,500
The wage threshold for Roth catch-up contributions increased to $155,000
The annual additions limit for defined contribution plans increases to $75,000
The annual additions limit for defined benefit plans increases to $300,000
The annual compensation limit increases to $375,000
The Social Security Wage Base increases to $192,300
The SIMPLE deferral limit increases to $17,500

Retirement Plan Limit	2027	2026	2025	2024	2023	2022
401(k) 403(b) Elective Deferral Maximum	$25,500	$24,500	$23,500	$23,000	$22,500	$20,500
457(b) Non-qualified Deferred Compensation Limit	$25,500	$24,500	$23,500	$23,000	$22,500	$20,500
414(v) Catch-up Contribution Limit	$8,500	$8,000	$7,500	$7,500	$7,500	$6,500
414(v) Catch-up Contribution Limit (Age 60-63)	$11,750	$11,250	$11,250	N/A	N/A	N/A
414(v) Roth Catch-up Wage Threshold	$155,000	$150,000	N/A	N/A	N/A	N/A
415 Defined Contribution Annual Addition Maximum	$75,000	$72,000	$70,000	$69,000	$66,000	$61,000
401(a)(17) Annual Compensation Limit	$375,000	$360,000	$350,000	$345,000	$330,000	$305,000
414(q) Highly Compensated Employee Limit	$170,000	$160,000	$160,000	$155,000	$150,000	$135,000
Social Security Wage Base	$192,300	$184,500	$176,100	$168,600	$160,200	$147,000
SIMPLE Employee Deferrals	$17,500	$17,000	$16,500	$16,000	$15,500	$14,000
415 Defined Benefit Dollar Maximum	$300,000	$290,000	$280,000	$275,000	$265,000	$245,000
Health Savings Account (HSA) Limit (Single)	$4,500	$4,400	$4,300	$4,150	$3,850	$3,650
Health Savings Account (HSA) Limit (Family)	$9,000	$8,750	$8,550	$8,300	$7,750	$7,300
Health Savings Account (HSA) Catch-Up Contribution (55 or older) (Single or Family)	$1,000	$1,000	$1,000	$1,000	$1,000	$1,000

SOURCES: IRS.GOV/NEWSROOM/401K-LIMIT-INCREASES-TO-25500-FOR-2027-IRA-LIMIT-REMAINS-7500, IRS.GOV/PUB/IRS-DROP/N-26-66.PDF, FIDELITY.COM/LEARNING-CENTER/SMART-MONEY/HSA-CONTRIBUTION-LIMITS, SSA.GOV

Investment advice offered through OneDigital Investment Advisors LLC. This information is provided as a courtesy and is not designed to be all encompassing. It is not intended as authoritative guidance, tax or legal advice. You should consult with your attorney or tax advisor for guidance on your specific situation. The information has been obtained by sources we believe to be reliable. OneDigital Investment Advisors LLC makes no representations as to the accuracy or validity of this information. ID:00901021