

Pension Plan Limits for 2024

The 2024 IRA and pension plan limitations have been announced. Below are some of the more common amounts for 2024.

The defined benefit plan limitation is \$275,000 (up from \$265,000 for 2023).

The defined contribution plan maximum increases to \$69,000 (up from \$66,000).

The annual compensation limit for the calculation of most employer contributions is \$345,000 (up from \$330,000).

The Retirement Savers Contribution Credit is completely phased out at: MFJ = \$76,500 (up from \$73,000), HH = \$57,375 (up from \$54,750), and all others = \$38,250 (up from \$36,500).

A year of service for SEP coverage remains at \$750.

The maximum elective deferral for §401(k), §403(b), §457, and SARSEPs is \$23,000 (up from \$22,500 for 2023). The catchup contribution limit for those aged 50 or older as of the end of the year remains at \$7,500.

The maximum elective deferral to SIMPLE plans is \$16,000 (up from \$15,500). The catch-up maximum remains at \$3,500.

The maximum contribution to IRAs is \$7,000 (up from \$6,500). The catch-up for IRAs remains at \$1,000.

The modified AGI phase-out ranges are: \$77,000-\$87,000 (up from \$73,000-\$83,000); MFJ = \$123,000-\$143,000 (up from \$116,000-\$136,000); and MFJ when the taxpayer is not covered but the spouse is = \$230,000-\$240,000 (up from \$218,000-\$228,000).

Roth IRA AGI phase-out limits increase to \$146,000-\$161,000 (up from \$138,000-\$153,000). For MFJ these amounts are \$230,000-\$240,000 (up from \$216,000-\$228,000).

The definition of highly compensation for purposes of section 414(q)(1)(B) is \$155,000 (up from 150,000).

The aggregate amount of qualified charitable distributions (QCDs) that are not includible in gross income is \$105,000 (up from \$100,000). The amount of QCDs made directly to split-interest entity is \$53,000 (up from \$50,000).

The IRS Notice also has the other pension related indexed amounts such as key employee, top heavy, and "control employee" limits.

A copy of Notice 2023-75 can be found at www.irs.gov/pub/ by clicking on irs-drop and then clicking on n-2023-75.

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