

Know Your Limits...

Many benefit plan amounts have changed for the 2020 calendar year.

Here's a glimpse...

2020 ANNUAL BENEFIT PLAN AMOUNTS

CONTRIBUTION & BENEFIT LIMITS	2019 LIMIT	2020 LIMIT
Section 401(k), 403(b), or 457(b) Annual Deferral	\$19,000	\$19,500 ↑
SIMPLE Plan Annual Deferral	\$13,000	\$13,500 ↑
Section 415 Maximums		
Annual Benefit From Defined Benefit Plan	\$225,000	\$230,000 ↑
Annual Additions To Defined Contribution Plan	\$56,000	\$57,000 ↑
Maximum IRA Contribution	\$5,500	\$6,000 ↑
Catch-Up Contribution Limits		
Retirement Plan	\$6,000	\$6,500 ↑
SIMPLE Plan	\$3,000	\$3,000
IRA	\$1,000	\$1,000
Compensation Amounts		
Annual Compensation Limit	\$280,000	\$285,000 ↑
Grandfathered Governmental Plan Participants	\$415,000	\$425,000 ↑
Highly Compensated Employees		
Any Employee*	\$125,000**	\$ 130,000** ↑
5% Owner	no minimum	no minimum
<small>Due to the look-back rule, applies in determining HCEs during following year* Employer may elect to limit to top-paid 20%**</small>		
Key Employees		
Officer	\$180,000	\$185,000 ↑
1 % Owner	\$150,000	\$150,000
5 % Owner	no minimum	no minimum
Small Employer Health Insurance Credit Average Wage Phase-Out	\$27,100	\$27,600 ↑
SOCIAL SECURITY/MEDICARE		
OASDI Taxable Wage Base	\$132,900	\$137,700 ↑
OASDI Tax Rate - Employer	6.2%	6.2%
OASDI Tax Rate - Employee	6.2%	6.2%
Medicare Tax Rate - Employer	1.45%	1.45%
Medicare Tax Rate - Employee	1.45% ¹	1.45% ¹
Maximum Income w/out Reducing Social Security Retirement Benefits		
SSRA ² or Over	no limit	no limit
Year Individual Attains SSRA ²	\$46,920/yr. ³	\$48,600/yr. ³ ↑
Under SSRA ²	\$17,640/yr.	\$18,240/yr. ↑
<small>¹ Employer must withhold additional 0.9% from compensation in excess of \$200,000 (single, head of household with qualifying person, or qualifying widow with dependent child), \$250,000 (married filing jointly), \$125,000 (married filing separate) ² Social Security Retirement Age (age at which an individual may receive an unreduced monthly benefit) ³ No limit on earnings beginning the month an individual attains SSRA</small>		
HEALTH PLAN LIMITS		
Maximum Health FSA		
Employee Deferral	\$2,700	\$2,750 ↑
Carryover	\$500	\$500
Maximum HSA Contribution		
Individual	\$3,500	\$3,550 ↑
Family	\$7,000	\$7,100 ↑
Catch-Up	\$1,000	\$1,000
Minimum HDHP Deductible		
Individual	\$1,350	\$1,400 ↑
Family	\$2,700	\$2,800 ↑
Maximum HDHP Out-of-Pocket		
Individual	\$6,750	\$6,900 ↑
Family	\$13,500	\$13,800 ↑
Maximum Out-of-Pocket (Non-Grandfathered Plans)		
Individual	\$7,900	\$8,150 ↑
Family	\$15,800	\$16,300 ↑
Transitional Reinsurance Fee (per person)	Only paid through the 2016 plan year	

