



2020 & 2019 Benefits and Contributions Limits

The Internal Revenue Service has announced the **2020** cost-of-living adjustments applicable to dollar limitations on benefits from and contributions to qualified retirement plans. For purposes of comparison, we are providing limits from 2019 and 2020.

Plan Limits for Plan Year	2020	2019
Compensation	\$285,000	\$280,000
Limits on benefits and contributions:		
Defined Contribution Plans	\$ 57,000	\$ 56,000
Defined Benefit Plans	\$230,000	\$225,000
401(k), 403(b), & 457 Plan Elective Deferrals	\$ 19,500	\$ 19,000
SIMPLE Plan Elective Deferrals	\$ 13,500	\$ 13,000
Catch-up contributions:		
401(k), 403(b), & 457 Plans	\$ 6,500	\$ 6,000
SIMPLE Plans	\$ 3,000	\$ 3,000
“Highly Compensated” Definition	\$130,000	\$125,000
“Key Employee” Definition:		
Officer	\$185,000	\$180,000
1% Owner	\$150,000	\$150,000
Social Security:		
Taxable Wage Base	\$137,700	\$132,900

If you have any questions regarding the new limits, please do not hesitate to call us at (785) 537-0366.

The information has been obtained from sources considered to be reliable, but we do not guarantee that the foregoing material is accurate or complete.