

GOLDENK

Plans & Wealth Management

We thought you would be interested to know

The Internal Revenue Service announced cost of living adjustments applicable to dollar limitations for retirement plans and other items for Tax Year 2020.

Many of the retirement plan limitations will change for 2020. For most of the limitations, the increase in the cost-of-living index met the statutory thresholds that trigger their adjustment.

If you need to make an adjustment to your payroll deduction with the new 2020 limits, please take note of the increases. Feel free to contact us if you need additional information or you would like to review your retirement plan.

2020 & 2019 Retirement Plan Limits		
	2020	2019
Defined Contribution Plans	\$ 57,000	\$ 56,000
Defined Benefit Plans	\$ 230,000	\$ 225,000
Maximum Compensation	\$ 285,000	\$ 280,000
401(k), 457(b) & 403(b) deferrals	\$ 19,500	\$ 19,000
Catch up (50 & older years)	\$ 6,500	\$ 6,000
Highly Compensated	\$ 130,000	\$ 125,000
Income Subject to Social Security Tax	\$ 137,700	\$ 132,900
SIMPLE Plans	\$ 13,500	\$ 13,000
SIMPLE Plan Catch up	\$ 3,000	\$ 3,000
IRA	\$ 6,500	\$ 6,000
IRA Catch up (50 & older years)	\$ 1,000	\$ 1,000
ESOP 5-14 year Distribution Period Limit	\$ 230,000	\$ 225,000

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