

IRS Announces 2015 Qualified Pension Plan Limits

October 31, 2014

The IRS recently announced cost-of-living adjustments for 2015. The following list describes some of the key limits that will apply to employer qualified retirement plans in 2015.

- The annual limit on elective deferrals for employees who participate in 401(k) and 403(b) plans will increase from \$17,500 to \$18,000.
- The limit for annual additions to defined contribution plans will increase from \$52,000 to \$53,000.
- The catch-up contribution limit for employees aged 50 and over who participate in 401(k) and 403(b) plans will increase from \$5,500 to \$6,000.
- The annual benefit limit under a defined benefit plan remains unchanged at \$210,000.
- The dollar limit on compensation for defining a "key employee" in a top heavy plan remains unchanged at \$170,000.
- The dollar limit on compensation for defining a "highly compensated employee" will increase from \$115,000 to \$120,000.
- The annual limit on compensation taken into account when calculating a participant's benefit accruals will increase from \$260,000 to \$265,000.

The full list of changes can be found in IRS Information Release 2014-99 [here](#).