

IRS Announces 2017 Qualified Retirement Plan Limits

November 8, 2016

The IRS recently announced cost-of-living adjustments for 2017. Below is a list of some of the key annual limits that will apply to qualified retirement plans in 2017:

- Compensation limit in calculating a participant's benefit accruals: increased to \$270,000.
- Elective deferrals to 401(k) and 403(b) plans: remains unchanged at \$18,000.
- Annual additions to a defined contribution plan: increased to \$54,000.
- Catch-up contributions for employees aged 50 and over to 401(k) and 403(b) plans: remains unchanged at \$6,000.
- Annual benefit limit for a defined benefit plan: increased to \$215,000.
- Compensation dollar limit for defining a "key employee" in a top heavy plan: increased to \$175,000.
- Compensation dollar limit for defining a "highly compensated employee": remains unchanged at \$120,000.

[The full list of 2017 plan limits can be found in IRS Notice 2016-62.](#)