

## IRS Announces 2022 Qualified Retirement Plan Limits

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The IRS recently announced cost-of-living adjustments for 2022. Below is a list of some of the key annual limits that will apply to qualified retirement plans in 2022:

- Compensation limit used in calculating a participant's benefit accruals: increased to \$305,000.
- Elective deferrals to 401(k) and 403(b) plans: increased to \$20,500.
- Annual additions to a defined contribution plan: increased to \$61,000.
- Catch-up contributions for employees aged 50 and over to 401(k) and 403(b) plans: remains unchanged at \$6,500.
- Annual benefit limit for a defined benefit plan: increased to \$245,000.
- Compensation dollar limit for defining a "key employee" in a top heavy plan: increased to \$200,000.
- Compensation dollar limit for defining a "highly compensated employee": increased to \$135,000.

The full list of 2022 plan limits included in Notice 2021-61 is available [here](#).