

# IRS Announces New 2023 Qualified Retirement Plan Limits

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November 1, 2022

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**PRACTICES** Employee Benefits M&A, Employee Benefits and Executive Compensation

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The IRS recently announced cost-of-living adjustments for 2023. Below is a list of some of the key annual limits that will apply to qualified retirement plans in 2023:

- Compensation limit used in calculating a participant's benefit accruals: increased to \$330,000.
- Elective deferrals to Code Section 401(k) and 403(b) plans: increased to \$22,500.
- Annual additions to a defined contribution plan: increased to \$66,000.
- Catch-up contributions for employees aged 50 and over to Code Section 401(k) and 403(b) plans: increased to \$7,500.
- Annual benefit limit for a defined benefit plan: increased to \$265,000.
- Compensation dollar limit for defining a "key employee" in a top heavy plan: increased to \$215,000.
- Compensation dollar limit for defining a "highly compensated employee:" increased to \$150,000.

The full list of 2023 plan limits included in Notice 2022-55 is available [here](#).