

IRS Announces New 2024 Qualified Retirement Plan Limits

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PRACTICES Employee Benefits and Executive Compensation

The IRS recently announced the following cost-of-living adjusted limits for qualified retirement plans in 2024:

- Annual compensation limit used in calculating a participant's benefit accruals: increased to \$345,000.
- Elective deferrals to Code Section 401(k) and 403(b) plans: increased to \$23,000.
- Annual additions to a defined contribution plan: increased to \$69,000.
- Catch-up contributions for employees aged 50 and over to Code Section 401(k) and 403(b) plans: remains unchanged at \$7,500.
- Annual benefit limit for a defined benefit plan: increased to \$275,000.
- Compensation dollar limit for defining a "key employee" in a top heavy plan: increased to \$220,000.
- Compensation dollar limit for defining a "highly compensated employee": increased to \$155,000.

The above and other 2024 plan limits are available in [Notice 2023-75](#).