

Puerto Rico Treasury Announces Qualified Retirement Plan Limits for 2019

February 6, 2019

The Puerto Rico Department of the Treasury recently issued Circular Letter Internal Revenue No. 18-21 (the **Circular**), which announced applicable qualified retirement plan limits for 2019, as required by the Puerto Rico Internal Revenue Code of 2011, as amended (the **PR Code**). For plans qualified only in Puerto Rico, the limits on elective deferrals, catch-up contributions, and after-tax contributions all remain unchanged for 2019, while the limits on annual benefits, annual contributions, plan compensation, and the highly compensated employee threshold all increased for 2019. For plans qualified in both Puerto Rico and the U.S. (including the Federal Government Thrift Plan), the limits on catch-up and after-tax contributions remain unchanged for 2019, while the limits on elective deferrals, annual benefits, annual contributions, plan compensation, and the highly-compensated employee threshold, all increased for 2019. The applicable plan limits are as follows:

- Annual Benefit Limit (All Defined Benefit Plans): \$225,000 (increased from \$220,000)
- Annual Contribution Limit (All Defined Contribution Plans): \$56,000 (increased from \$55,000)
- Annual Compensation Limit (All Plans): \$280,000 (increased from \$275,000)
- Compensation Limit for a Highly Compensated Employee: \$125,000 (increased from \$120,000)
- Elective Deferrals Limit (Dual Qualified Plans or Federal Government Thrift Plan): \$19,000 (increased from \$18,500)
- Elective Deferrals Limit (Puerto Rico-Only Plans): \$15,000 (unchanged)
- Catch-up Contribution Limit (Federal Government Thrift Plan): \$6,000 (unchanged)
- Catch-up Contribution Limit (Dual Qualified Plans or Puerto Rico-Only Plans): \$1,500 (unchanged)
- After-Tax Contribution Limit: 10 percent of the employee's aggregate compensation during the period he or she is a plan participant (unchanged)

[View the Circular \(in Spanish\).](#)