

## IRS ANNUAL COST-OF-LIVING ADJUSTMENTS EMPLOYEE BENEFIT DOLLAR LIMITATIONS FOR 2022

**EFFECTIVE:  
JANUARY 1, 2022**

Making several changes, the IRS has released the 2022 cost-of-living adjustments applicable to the dollar limits and thresholds for retirement plans and health and welfare benefit plans. Plan sponsors should update their systems and formulas to include the limits that have been adjusted.

RETIREMENT PLAN LIMITS	2021	2022
<b>ELECTIVE DEFERRALS</b>		
401(k) CONTRIBUTIONS	\$19,500	\$20,500
403(b) CONTRIBUTIONS	\$19,500	\$20,500
457 PLAN CONTRIBUTIONS	\$19,500	\$20,500
SIMPLE 401 (k) CONTRIBUTIONS	\$13,500	\$14,000
SIMPLE IRA CONTRIBUTIONS	\$13,500	\$14,000
<b>CATCH-UP CONTRIBUTIONS</b>		
401(k) CONTRIBUTIONS	\$6,500	\$6,500
403(b) CONTRIBUTIONS	\$6,500	\$6,500
457 PLAN CONTRIBUTIONS	\$6,500	\$6,500
SIMPLE 401 (k) CONTRIBUTIONS	\$3,000	\$3,000
SIMPLE IRA CONTRIBUTIONS	\$3,000	\$3,000
<b>415 ANNUAL ADDITIONS</b>		
DEFINED BENEFIT PLAN DOLLAR LIMIT	\$230,000	\$245,000
DEFINED CONTRIBUTION PLAN DOLLAR LIMIT	\$58,000	\$61,000
<b>401(a) (17) MAXIMUM ANNUAL PLAN COMPENSATION</b>	\$290,000	\$305,000
<b>414(q) HIGHLY COMPENSATED EMPLOYEE</b>	\$130,000	\$135,000
<b>TOP-HEAVY KEY EMPLOYEE</b>		
OFFICERS	\$185,000	\$200,000
1% OWNER	\$150,000	\$150,000
<b>IRAs</b>		
ANNUAL CONTRIBUTION LIMIT	\$6,000	\$6,000
CATCH-UP CONTRIBUTIONS	\$1,000	\$1,000
<b>FICA TAXABLE WAGE BASE</b>		
SOCIAL SECURITY (TAX RATE 6.2%)	\$142,800	\$147,000
MEDICARE (TAX RATE 1.45%)	NO LIMIT	NO LIMIT
HEALTH AND WELFARE BENEFIT PLAN LIMITS	2021	2022
<b>CONTRIBUTION LIMITS FOR HSAs</b>		
SINGLE - CONTRIBUTION TO HSAs	\$3,600	\$3,650
FAMILY - CONTRIBUTION TO HSAs (Changed)	\$7,200	\$7,300
CATCH-UP CONTRIBUTION (55+)	\$1,000	\$1,000

Source: IRS: Notice 2021-61