

2016 Cost of Living Adjustments Announced

Insight — October 21, 2015

The Internal Revenue Code provides for dollar limitations on benefits and contributions under qualified retirement plans. Today, the Internal Revenue Service announced the 2016 cost-of-living adjustments affecting dollar limitations for qualified retirement plans. All limits are unchanged from 2015:

	401(k), 403(b), Profit-Sharing Plans, etc.		
	2016	2015	2014
Annual Compensation	265,000	265,000	260,000
Elective Deferrals	18,000	18,000	17,500
Catch-up Contributions	6,000	6,000	5,500
Defined Contribution Limits	53,000	53,000	52,000
ESOP Limits	1,070,000 210,000	1,070,000 210,000	1,050,000 210,000
HCE Threshold	120,000	120,000	115,000
Defined Benefit Limits	210,000	210,000	210,000
Key Employee	170,000	170,000	170,000
457 Elective Deferrals	18,000	18,000	17,500
Taxable Wage Base	118,500	118,500	117,000

For a historical chart of the applicable dollar limitations since 1983, [click here](#).

For questions about the qualified plan limitations or any other benefits questions, contact a member of Holland & Hart's Benefits Law Group.

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