



hooker & holcombe

2022 Retirement Plan Limits

The Internal Revenue Service (IRS) has published the cost-of-living adjustments (COLA) applicable to dollar limitations for employer-sponsored retirement and welfare plans, indicating an increase in the amount individuals can contribute to their 401(k) plans for the 2022 tax year. IRA contributions and catch-up contributions to IRA, 401(k), 403(b) and most 457 plans for age 50 and older remains unchanged.

Contribution and benefit limits effective January 1, 2022 are as follows:

	2022	2021	2020	2019
Defined Benefit maximum	\$245,000	\$230,000	\$230,000	\$225,000
Defined Contribution maximum	\$61,000	\$58,000	\$57,000	\$56,000
Maximum employee pre-tax contribution (pre-tax plus Roth combined)				
401(k), 403(b) and most 457 plans	\$20,500	\$19,500	\$19,500	\$19,000
Simple 401(k)	\$14,000	\$13,500	\$13,500	\$13,000
Maximum employee catch-up contribution (pre-tax plus Roth combined)				
401(k), 403(b) and most 457 plans	\$6,500	\$6,500	\$6,500	\$6,000
Simple 401(k)	\$3,000	\$3,000	\$3,000	\$3,000
Compensation cap	\$305,000	\$290,000	\$285,000	\$280,000
Highly compensated threshold	\$135,000	\$130,000	\$130,000	\$125,000
Key employee threshold	\$200,000	\$185,000	\$185,000	\$180,000
	2022	2021	2020	2019
Old age & disability	\$147,000	\$142,800	\$137,700	\$132,900
Medicare	No Max.	No Max.	No Max.	No Max.

Plan sponsors should use this information to update payroll and plan administration systems. Please contact your H&H consultant with questions or to learn more about how these updates apply to your plans.