

2025 Retirement Plan Limits

The Internal Revenue Service has announced cost-of-living adjustments affecting dollar limitations for pension plans and other retirement-related matters for tax year 2025. These limits are commonly used in the administration of retirement plans.

Category	2024	2025
Elective Deferral Limit for 401(k) and 403(b) Plans* <i>IRC 402(g)</i>	\$23,000	\$23,500
Annual Additions Limit for Defined Contribution Plans† <i>IRC 415(c)</i>	\$69,000	\$70,000
Limit on Annual Benefits for Defined Benefit Plans <i>IRC 415(b)</i>	\$275,000	\$280,000
Catch-Up Contribution Limit (see exception below for ages 60–63) <i>IRC 414(v)</i>	\$7,500	\$7,500
Catch-Up Contribution Limit ages 60–63 <i>IRC 414(v)</i>	\$7,500	\$11,250
Annual Compensation Limit <i>IRC 401(a)(17)</i>	\$345,000	\$350,000
Highly Compensated Employee Limit‡ <i>IRC 414(q)</i>	\$155,000	\$160,000
Key Employee Determination Limit <i>IRC 416(i)</i>	\$220,000	\$230,000
SIMPLE Retirement Plan Contribution Limit <i>IRC 408(p)</i>	\$16,000	\$16,500
Social Security Wage Base (Old-Age, Survivors)	\$168,600	\$176,100
Medicare Wage Base	No limit	No limit

*Includes pre-tax and Roth elective deferrals; excludes catch-up contributions.

†Includes employer contributions, employee contributions, and forfeitures; excludes catch-up contributions, rollovers, transfers, and investment earnings.

‡An employee is a Highly Compensated Employee if the employee's compensation for the lookback year is more than the 414(q) limit.

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