



COLA Increases for Dollar Limitations on Benefits and Contributions

The tax law places limits on the dollar amount of contributions to retirement plans and IRAs and the amount of benefits under a pension plan. IRC Section 415 requires the limits to be adjusted annually for cost-of-living increases.

- [Limits by plan type](#) (IRA, 401(k), SEP, SIMPLE IRA, 403(b), 457(b), defined benefit)
- [2020 cost-of-living adjustments](#) for pension plans and retirement-related items (IR-2019-179)
- [COLA Table \(PDF\)](#) for prior years' dollar limitations and Internal Revenue Code references.

Topics for Retirement Plans

- Individual Retirement Arrangements IRAs
- Types of Retirement Plans
- Retirement Topics Required Minimum Distributions RMDs
- Retirement Plans Frequently Asked Questions FAQs
- Retirement Plan Forms and Publications
- Correcting Plan Errors
- Retirement Topics
- Tax Exempt & Government Entities Division At-a-Glance
- Retirement Plans

	2020	2019	2018
IRAs			
IRA Contribution Limit	\$6,000	\$6,000	\$5,500
IRA Catch-Up Contributions	1,000	1,000	1,000
IRA AGI Deduction Phase-out Starting at			
Joint Return	104,000	103,000	101,000
Single or Head of Household	65,000	64,000	63,000
SEP			
SEP Minimum Compensation	600	600	600
SEP Maximum Contribution	57,000	56,000	55,000

	2020	2019	2018
SEP Maximum Compensation	285,000	280,000	275,000
<i>SIMPLE Plans</i>			
SIMPLE Maximum Contributions	13,500	13,000	12,500
Catch-up Contributions	3,000	3,000	3,000
<i>401(k), 403(b), Profit-Sharing Plans, etc.</i>			
Annual Compensation	285,000	280,000	275,000
Elective Deferrals	19,500	19,000	18,500
Catch-up Contributions	6,500	6,000	6,000
Defined Contribution Limits	57,000	56,000	55,000
ESOP Limits	1,150,000	1,130,000	1,105,000
	230,000	225,000	220,000
<i>Other</i>			
HCE Threshold	130,000	125,000	120,000
Defined Benefit Limits	230,000	225,000	220,000
Key Employee	185,000	180,000	175,000
457 Elective Deferrals	19,500	19,000	18,500
Control Employee (board member or officer)	115,000	110,000	110,000
Control Employee (compensation-based)	230,000	225,000	220,000
Taxable Wage Base	137,700	132,900	128,400

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