

## 2025 RETIREMENT CONTRIBUTION LIMITS

The new 2025 annual plan contribution limits provide opportunities for individuals and businesses to save for retirement and maximize tax benefits.

	2025	2024	2023
<b>Contributions &amp; Benefit Limits</b>			
Defined Contribution Plans	<b>\$70,000</b>	\$69,000	\$66,000
Defined Benefit / Cash Balance Plans	<b>\$280,000</b>	\$275,000	\$260,000
Cash Balance Maximum Benefit	<b>\$3,500,000</b>	\$3,500,000	\$3,400,000
401(k), 403(b) and 457 Plan Deferrals	<b>\$23,500</b>	\$23,000	\$22,500
SIMPLE Plan Deferrals	<b>\$16,500</b>	\$16,000	\$15,500
SEP IRA Employer Contributions	<b>\$70,000</b>	\$69,000	\$66,000
IRA (Traditional & Roth)	<b>\$7,000</b>	\$7,000	\$6,500
<b>Catch Up Contributions (age 50+)</b>			
401(k), 403(b), and 457 Plans	<b>\$7,500</b>	\$7,500	\$7,500
SIMPLE Plans	<b>\$3,500</b>	\$3,500	\$3,500
IRA	<b>\$1,000</b>	\$1,000	\$1,000
<b>Catch Up Contributions (age 60-63)</b>			
401(k), 403(b), and 457 Plans	<b>\$11,250</b>		
SIMPLE Plans	<b>\$5,250</b>		
<b>Compensation Details</b>			
Maximum Considered Compensation	<b>\$350,000</b>	\$345,000	\$330,000
Social Security Taxable Wage Base	<b>\$176,100</b>	\$168,600	\$160,200
Highly Compensated Employee	<b>\$160,000</b>	\$155,000	\$150,000
Key Employee	<b>\$230,000</b>	\$220,000	\$215,000
SEP Minimum Compensation	<b>\$750</b>	\$750	\$750

Financial planning and investment management services offered through Navalign, LLC a Registered Investment Adviser.

## ADDITIONAL INFORMATION:

- The term “annual additions” generally means the sum for any year of employer contributions, employee contributions, and forfeitures.
- The term “salary deferral” generally means elective contributions made by employee participants.
- For plans that include salary deferral features, individuals who are age 50 and older by the end of the calendar year may make catch-up contributions in addition to the annual contribution limit, if catch up contributions are permitted under the plan. Increased catch up contributions are permitted for individuals between age 60-63.

## NOTES FOR OFF-CALENDAR PLAN YEARS:

- Deferral limits are on a calendar year basis, regardless of plan year.
- Use the taxable wage base (TWB) in effect at the beginning of the plan year.
- Use the annual compensation limit in effect at the beginning of the plan year.
- Use the annual additions limit in effect at the end of the calendar year.

## WE ARE HERE TO HELP!



Would you like to know more about the new limits and how they apply to your situation?



Have you reviewed your retirement plan strategy to optimize tax efficiency?



Are you looking to reduce taxes and maximize retirement benefits?

**Contact us today to schedule a complimentary consultation to review your retirement plan strategy and goals.**

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