

Canterbury Benefit Solutions, Inc.

Retirement Plan Limitations & Thresholds	2018	2017	2016	2015	2014	2013	2012
Compensation limit Compensation above this limit is not considered for most plan purposes. Based on plan years <i>beginning-in</i> :	\$275,000	\$270,000	\$265,000	\$265,000	\$260,000	\$255,000	\$250,000
Limits on Benefits and Contributions							
Defined Contribution Annual Additions Limit Refers to the amount of contributions and forfeitures that can be credited to a participant's account during the limitation year not to exceed 100% of compensation for plan years <i>ending-in</i> :	\$55,000	\$54,000	\$53,000	\$53,000	\$52,000	\$51,000	\$50,000
Defined Benefit Dollar Limit Refers to the benefit at normal retirement age for plan years <i>ending-in</i> :	\$220,000	\$215,000	\$210,000	\$210,000	\$210,000	\$205,000	\$200,000
Elective Deferral Annual Limit Refers to maximum deferral that can be made to the plan by a participant. This limit is aggregated among all plans (excluding 457(b) plans) and cannot exceed 100% of compensation <i>based on a calendar year</i> :							
401(k), 403(b) or 457(b) Plan	\$18,500	\$18,000	\$18,000	\$18,000	\$17,500	\$17,500	\$17,000
SIMPLE Plan	\$12,500	\$12,500	\$12,500	\$12,500	\$12,000	\$12,000	\$11,500
"Catch-up" Elective Deferral Annual Limit Applies to participants who have attained age 50 by plan year-end and is in addition to the above stated Elective Deferral Limit.							
401(k), 403(b) or 457(b) Plan	\$6,000	\$6,000	\$6,000	\$6,000	\$5,500	\$5,500	\$5,500
SIMPLE Plan	\$3,000	\$3,000	\$3,000	\$3,000	\$2,500	\$2,500	\$2,500
Definitions and Related Thresholds							
"Highly Compensated" Employee (HCE) Refers to the look-back year rule - use prior year plan compensation compared to the limit. HCE's are also defined as: a) >5% owners in either the current or look-back year regardless of compensation & b) spouses and lineal descendants/ascendants of HCE employees.	\$120,000	\$120,000	\$120,000	\$120,000	\$115,000	\$115,000	\$115,000
"Key Employee" Dollar Limits Refers to employees solely for the purpose of the top-heavy test.							
Officer Compensation Applies to officers of the employer when their compensation exceeds this limit. However, officer based key employees are limited to the greater of three or 10% of all employees.	\$175,000	\$175,000	\$170,000	\$170,000	\$170,000	\$165,000	\$165,000
>1% Owner Compensation Key Employee also includes: a) >5% owners regardless of comp & b) spouses and lineal descendants/ascendants of key employees.	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
Social Security Covered Compensation							
Taxable Wage Base Applicable to plans that use Social Security integrated into the employer allocation formula.	\$128,700	\$127,200	\$118,500	\$118,500	\$117,000	\$113,700	\$110,100
Medicare	no limit	no limit	no limit	no limit	no limit	no limit	no limit
FICA and SECA Tax Rates							
OASDI (employer and employee, each)	6.20%*	6.20%*	6.20%*	6.20%*	6.20%*	6.20%*	6.20%*
Medicare Rate (employer and employee, each)	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%
Combined Rate (self-employed)	15.3%*	15.3%*	15.3%*	15.3%*	15.3%*	15.3%*	13.30%*

This summary is designed solely as a general overview of plan limits as they relate to the year in the column headings. It is not intended to be all encompassing. With respect to contribution types and limits - plans may be designed to exclude various contribution types and/or specify lower limits. This material is provided for informational purposes only and should not be construed as tax or legal advice. Interested parties must consult with and rely upon their own tax and legal representatives.

* OASDI rate: Employee 4.20% | Self-employment 10.40%

For more information regarding the plan year changes, visit: <http://www.irs.gov/Retirement-Plans/COLA-Increases-for-Dollar-Limitations-on-Benefits-and-Contributions>