

# 2023/2024 dollar limitations for retirement plans



Wealth  
Management

Some new limitations will apply to retirement plans and other benefit plans in 2024 as a result of cost-of-living adjustments made by the IRS and the Social Security Administration. The limits for 2024, as well as the 2023 limits, are as follows:

Account Types		2023 Limit	2024 Limit
IRA	Traditional and Roth IRA contribution limit	\$6,500	\$7,000
	Catch-up limit for individuals age 50 and older	\$1,000	\$1,000
SEP IRA	Maximum SEP contribution	\$66,000	\$69,000
	SEP compensation exclusion	\$750	\$750
401(k), SARSEP, 403(b) and Governmental 457(b)	Elective deferral limit	\$22,500	\$23,000
	Catch-up limit for individuals age 50 and older	\$7,500	\$7,500
Profit Sharing, 401(k) and Money Purchase Pension	Defined contribution limit (415(c) limit)	\$66,000	\$69,000
Profit Sharing, 401(k), SEP and Money Purchase Pension	Employee annual compensation limit	\$330,000	\$345,000
401(k), SARSEP, 403(b) and Governmental 457(b)	Highly compensated employee limit (no requirement for 5% owner)	\$150,000	\$155,000
Profit Sharing, 401(k) and Money Purchase Pension	Top-heavy plan key employee compensation limit	\$215,000	\$220,000
Defined Benefit	Maximum annual benefit at retirement	\$265,000	\$275,000
SIMPLE IRA ≤ 25 employees* afforded annually indexed contribution limits by virtue of prior year employee count	Elective deferral limit	\$15,500	\$17,600
	Catch-up limit for individuals age 50 and older	\$3,500	\$3,850
	Maximum employer match (\$1 for \$1 match on the first 3% of employee compensation deferred).	\$15,500	\$17,600
	Catch-up deferral is also matched by employer if individual is age 50 or older.	\$3,500	\$3,850
	Maximum employer non-elective contribution (2% of employee's compensation, up to \$330k in 2023 and \$345k in 2024)	\$6,600	\$6,900
	Additional (optional) Employer non-elective contribution of up to 10% of earnings capped at \$5,000. (Employer must uniformly provide enhanced NEC to all participants)	N/A	\$5,000

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Account Types		2023 Limit	2024 Limit
SIMPLE IRA 26-100 employees* afforded annually indexed contribution limits if offering enhanced 4% match or 3% nonelective employer contribution.	Elective deferral limit	\$15,500	\$17,600
	Catch-up limit for individuals age 50 and older	\$3,500	\$3,850
	Maximum employer match (\$1 for \$1 match on the first 4% of employee compensation deferred).	\$15,500	\$17,600
	Catch-up deferral is also matched by employer if individual is age 50 or older.	\$3,500	\$3,850
	Maximum employer non-elective contribution (3% of employee's compensation, up to \$330k in 2023 and \$345k in 2024)	\$6,600	\$10,350
	Additional (optional) Employer non-elective contribution of up to 10% of earnings capped at \$5k. (Employer must uniformly provide enhanced NEC to all participants)	N/A	\$5,000
SIMPLE IRA 26-100 employees*, not afforded indexed contribution limits when offering standard 3% match or 2% non-elective employer contribution	Elective deferral limit	\$15,500	\$16,000
	Catch-up limit for individuals age 50 and older	\$3,500	\$3,500
	Maximum employer match (\$1 for \$1 match on the first 3% of employee compensation deferred).	\$15,500	\$16,000
	Catch-up deferral is also matched by employer if individual is age 50 or older.	\$3,500	\$3,500
	Maximum employer non-elective contribution (2% of employee's compensation, up to \$330k in 2023 and \$345k in 2024)	\$6,600	\$6,900
	Additional (optional) Employer non-elective contribution of up to 10% of employee earnings capped at \$5k. (Employer must uniformly provide enhanced NEC to all participants)	N/A	\$5,000

Modified Adjusted Gross Income (MAGI) phase-out ranges for traditional IRA deduction when taxpayer is covered by a retirement plan at work			
Filing status		2023 Limit	2024 Limit
Single or head of household		\$73,000-\$83,000	\$77,000-\$87,000
Married filing jointly		\$116,000-\$136,000	\$123,000-\$143,000
Married filing jointly for non-covered spouse with a spouse who is an active participant		\$218,000-\$228,000	\$230,000-\$240,000
MAGI phase-out ranges for Roth IRA annual contributions			
Filing status		2023	2024
Single or head of household		\$138,000-\$153,000	\$146,000-\$161,000
Married filing jointly		\$218,000-\$228,000	\$230,000-\$240,000
Social Security		2023	2024
Social Security taxable wage base		\$160,200	\$168,600
Maximum earnings for individuals under normal retirement age before Social Security benefits are reduced. One dollar in benefits will be withheld for every \$2 in earnings above the limit.		\$21,240 (\$1,770/mo)	\$22,320 (\$1,860/mo)
Maximum Social Security benefit at Social Security full retirement age		\$3,627	\$3,743
529/Gift Tax Exclusion			
Filing status		2023	2024
Single or head of household		\$17,000	\$18,000
Married filing jointly		\$34,000	\$36,000
Health Savings Accounts (HSAs)		2023	2024
Maximum contribution limit	Single	\$3,850	\$4,150
	Family	\$7,750	\$8,300
	Catch-Up (age 55 by the end of the year)	\$1,000	\$1,000
Minimum annual deductible for High Deductible Health Plan (HDHP)	Single	\$1,500	\$1,600
	Family	\$3,000	\$3,200
HDHP maximum out-of-pocket expenses	Single	\$7,500	\$8,050
	Family	\$15,000	\$16,100

\*Section 116 and 117 of SECURE 2.0 Act provide for additional (optional) Employer contribution methods and increased contribution limits dependent upon the number of employees in the prior year who earned at least \$5,000 in compensation, and whether or not enhanced match or non-elective contributions are provided. Please note: to apply the enhanced employee elective deferral limits or to increase employer contributions formal notice to participants is required.

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