



EMPLOYMENT BLOG

2019 Qualified Plan Cost of Living Increases, 2019 Social Security Taxable Wage Base

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On November 1, 2018 the Internal Revenue Service announced the cost-of-living adjustments for the various qualified retirement plan limits. The vast majority of the limits shown below have increased from last year.

Qualified Plan Limit	Cost-of-Living Adjustments
401(k) and 403(b) elective deferral limit	2018-\$18,500 2019-\$19,000
\$200,000 compensation limit	2018-\$275,000 2019-\$280,000
\$160,000 defined benefit limit	2018-\$220,000 2019-\$225,000
\$40,000 defined contribution limit	2018-\$55,000 2019-\$56,000
\$80,000 definition of highly compensated employee	2018-\$120,000 2019-\$125,000
SIMPLE IRA deferral limit	2018-\$12,500 2019-\$13,000
Code Section 457 deferred compensation plan deferral limit	2018-\$18,500 2019-\$19,000
Code Section 414(v) catch-up contribution limit for employee deferrals	2018-\$6,000 2019-\$6,000

All of the above are plan year limits (i.e., for the plan year which begins in 2019), with the exception of the Code Section 401(k) and Code Section 403(b) elective deferral limit, which is a calendar year limitation.

In addition, the Department of Health and Human Services has set the maximum taxable wages for the OASDI portion of the social security tax at \$132,900 for 2019, which is an increase from the 2018 limit of \$128,400.

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