



Key 2021 Benefit Plan Limits and Thresholds

	2021 limit	2020 limit
Elective deferral limit for 401(k), 403(b), and 457 plans	\$19,500	\$19,500
Catch-up contribution limit for 401(k), 403(b), and 457 plans*	\$6,500	\$6,500
Defined contribution plan annual additions limit	\$58,000	\$57,000
Defined benefit plan limit on annual benefit	\$230,000	\$230,000
Retirement plan annual compensation limit	\$290,000	\$285,000
Compensation for definition of highly compensated employee	\$130,000	\$130,000
Compensation for definition of key employee	\$185,000	\$185,000
SEP compensation threshold for participation	\$650	\$600
SEP contribution limit	\$58,000	\$57,000
SIMPLE retirement account pre-tax contribution limit	\$13,500	\$13,500
SIMPLE retirement account catch-up contribution limit	\$3,000	\$3,000
Health FSA limit (cafeteria plans)	\$2,750	\$2,750
Health FSA carryover limit	\$550	\$550
HSA contribution limit – family coverage	\$7,200	\$7,100
– single coverage	\$3,600	\$3,550
Social Security taxable wage base	\$142,800	\$137,700

* Other limits may apply depending on plan terms

Created by Verrill's Employee Benefits & Executive Compensation Group, October 2020. This chart is provided for general information only and may not be relied upon by any person as legal advice.

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