

IRS CONTRIBUTION LIMITS FOR 2011-2012

On October 20, 2011, the Internal Revenue Service announced cost of living adjustments affecting dollar limitations for pension plans and other retirement-related items for Tax Year 2012. In general, many of the pension plan limitations will change for 2012 because the increase in the cost-of-living index met the statutory thresholds that trigger their adjustment. However, other limitations will remain unchanged.

	<u>2011</u>	<u>2012</u>
Defined Benefit Plan Dollar Limit IRC §415(b)(1)(A)	\$195,000	\$200,000
Defined Contribution Plan Limit IRC §415(c)(1)(A)	\$49,000	\$50,000
401(k)/403(b) Elective Deferral Limit IRC §402(g)(1)	\$16,500	\$17,000
Governments/Tax-Exempts Deferral Limit IRC §457 (e)(15)	\$16,500	\$17,000
401(k)/403(b)/457/SEP "Catch-Up" Limit IRC §414(v)(2)(B)(i)	\$5,500	\$5,500
Annual Compensation Limit IRC §§401(a)(17), 404(l)	\$245,000	\$250,000
Highly Compensated Employee (HCE) Limit IRC §414(q)(1)(B) Compensation in the prior year exceeding	(HCE in 2010) \$110,000	(HCE in 2011) \$115,000
Key Employee Officer Compensation IRC §416(i)(1)(A)(i)	\$160,000	\$165,000
HSA Annual Contribution Limit Individual/ Family IRC §213	\$3,000/\$5,950	\$3,100/\$6,250
HSA "Catch-up" Limit	\$1,000	\$1,000

IRS Information Release is available at:

<http://www.irs.gov/retirement/article/0,,id=96461,00.html>