



## IRS Releases 2024 Benefit Plan Limits

Nov. 7, 2023

The IRS recently released the 2024 benefit plan limits based on the annual cost-of-living adjustments in the Internal Revenue Code. These limits take effect beginning January 1, 2024. Final limits for health FSAs and DCAPs are still pending. Employers should update their Summary Plan Descriptions and other materials highlighting the annual dollar limits and watch for future developments.

### Retirement Benefits

|  | 2024 Limit | 2023 Limit |
|--|------------|------------|
| Basic limit on elective deferral amounts                         | \$23,000   | \$22,500   |
| Limitation on catchup contributions for participants over age 50 | \$7,500    | No change  |
| Elective deferral limit for SIMPLE plans                         | \$16,000   | \$15,500   |
| Limitation on catchup contributions for participants over age 50 | \$3,500    | No change  |
| IRA maximum contribution limit                                   | \$7,000    | \$6,500    |
| Limitation on catchup contributions for participants over age 50 | \$1,000    | No change  |
| 457 elective deferral limit                                      | \$23,000   | \$22,500   |
| Annual dollar limit on includable compensation                   | \$345,000  | \$330,000  |
| Annual additional dollar limit on contributions                  | \$69,000   | \$66,000   |

## Welfare Plans and Fringe Benefits

|  | 2024 Limit            | 2023 Limit |
|--|-----------------------|------------|
| <b>Health FSA</b>  | \$3,200<br>(proposed) | \$3,050    |
| Health FSA carryover (amount that can be carried over from 2023 into 2024) | \$640<br>(proposed)   | \$610      |
| <b>DCAP</b>  |                       |            |
| Unless married and filing separately                                       | \$5,000<br>(proposed) | \$5,000    |
| Married and filing separately  | \$2,500<br>(proposed) | \$2,500    |
| <b>HDHP minimum annual deductible</b>                                      |                       |            |
| Self-only coverage   | \$1,600               | \$1,500    |
| Family coverage  | \$3,200               | \$3,000    |
| <b>HDHP out-of-pocket maximum</b>  |                       |            |
| Self-only coverage   | \$8,050               | \$7,500    |
| Family coverage  | \$16,100              | \$15,000   |
| <b>HSA maximum contribution</b>  |                       |            |
| Self-only coverage   | \$4,150               | \$3,850    |
| Family coverage  | \$8,300               | \$7,750    |
| Catch-up contribution for participants over age 55                         | \$1,000               | No change  |
| <b>"Key employees"</b>   |                       |            |
| Officer group  | \$220,000             | \$215,000  |
| More-than-one-percent owner  | \$150,000             | No change  |
| <b>Highly-compensated employee</b>   | \$155,000             | \$150,000  |

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