

2025 IRS Limits Announced

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The IRS has announced the 2025 cost of living adjustments to qualified plan limits. Below are the highlights, and our full historical chart can be found [here](#) for easy reference.

	2025	2024	2023
Annual Compensation	350,000	345,000	330,000
Elective Deferrals	23,500	23,000	22,500
Catch-up Contributions	7,500*	7,500	7,500
Defined Contribution Limit	70,000	69,000	66,000
ESOP Distribution Limits	1,415,000 280,000	1,380,000 275,000	1,330,000 265,000
Defined Benefit Limit	280,000	275,000	265,000
HCE Threshold	160,000	155,000	150,000
Key Employee	230,000	220,000	215,000
457 Elective Deferrals	23,500	23,000	22,500
Taxable Wage Base	176,100	168,600	160,200

*If plan adopts for 2025, the SECURE 2.0 increased catch-up limit for ages 60-63 is \$11,250

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