

DWC Historical Contribution & Testing Limits

Limit	Pro Rate for Short Year*	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Annual Compensation	Yes	\$330,000	\$305,000	\$290,000	\$285,000	\$280,000	\$275,000	\$270,000	\$265,000	\$265,000	\$260,000
Minimum Compensation: SEP	No	\$700	\$650	\$650	\$600	\$600	\$600	\$600	\$600	\$600	\$550
Elective Deferrals: 401(k)	No	\$22,500	\$20,500	\$19,500	\$19,500	\$19,000	\$18,500	\$18,000	\$18,000	\$18,000	\$17,500
Elective Deferrals: SIMPLE	No	\$15,000	\$14,000	\$13,500	\$13,500	\$13,000	\$12,500	\$12,500	\$12,500	\$12,500	\$12,000
Elective Deferrals: 457	No	\$22,500	\$20,500	\$19,500	\$19,500	\$19,000	\$18,500	\$18,000	\$18,000	\$18,000	\$17,500
Catch-Up Contributions: 401(k)	No	\$7,500	\$6,500	\$6,500	\$6,500	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$5,500
Catch-Up Contributions: SIMPLE	No	\$3,500	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$2,500	\$3,000
415 Limit: DB Plans	Yes	\$265,000	\$245,000	\$230,000	\$230,000	\$225,000	\$220,000	\$215,000	\$210,000	\$210,000	\$210,000
415 Limit: DC Plans	Yes	\$66,000	\$61,000	\$58,000	\$57,000	\$56,000	\$55,000	\$54,000	\$53,000	\$53,000	\$52,000
Social Security Wage Base	Yes	\$155,100	\$147,000	\$142,800	\$137,700	\$132,900	\$128,400	\$127,200	\$118,500	\$118,000	\$117,000

**For a plan year that is less than 12 months (either due to initially establishing the plan after the first of the year or terminating a plan before the end of the year), these limits must be prorated based on the number of months in the short plan year. For example, a plan year that runs from January 1st through September 30th would multiply the applicable limit by 9/12.*

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Testing Limits

Limit	Pro-Rate for Short Year*	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
HCE Determination: Compensation	No	\$150,000	\$135,000	\$130,000	\$130,000	\$125,000	\$120,000	\$120,000	\$120,000	\$120,000	\$115,000
Key Employee: Officer Compensation	No	\$215,000	\$200,000	\$185,000	\$185,000	\$180,000	\$175,000	\$170,000	\$170,000	\$170,000	\$170,000
Key Employee: 1% Owner Compensation	No	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000

Information Regarding Non-Calendar Year Plans

Just like a company, a retirement plan is required to operate on a set 12-month period. This is often referred to as the tax year or fiscal year for a business and a plan year for a retirement plan. Also similar to many companies, many retirement plans elect to use the calendar year as that 12-month period. But just because most businesses/plans operate that way does not mean that all of them must.

While some business owners and accountants prefer to have the retirement plan operate on the same year as the business, there is no legal requirement that the two align. And, as we will describe in the linked article below, there are several compliance reasons why it might make sense to have the plan year line-up with the calendar year even if the company's fiscal year is different. [Read more.](#)



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