

| <b>Defined Contribution Plan Limits</b>   | <b>2020</b>      | <b>2019</b> | <b>Change</b> |
|---|------------------|-------------|---------------|
| Maximum employee elective deferral*   | <b>\$19,500</b>  | \$19,000    | +\$500        |
| Employee catch-up contribution (if age 50 or older by year-end)**   | <b>\$6,500</b>   | \$6,000     | +\$500        |
| Defined contribution maximum limit, all sources (employee + employer)   | <b>\$57,000</b>  | \$56,000    | +\$1,000      |
| Defined contribution maximum limit (if age 50 or older by year end); maximum contribution all sources plus catch-up | <b>\$63,500</b>  | \$62,000    | +\$1,500      |
| Employee compensation limit for calculating contributions   | <b>\$285,000</b> | \$280,000   | +\$5,000      |
| Key employees' compensation threshold for nondiscrimination testing   | <b>\$185,000</b> | \$180,000   | +5,000        |
| Highly compensated employees' threshold for nondiscrimination testing***  | <b>\$130,000</b> | \$125,000   | +5,000        |

\*The \$19,500 elective deferral limit is also known as the 402(g) limit, after the relevant tax code section.

\*\*The \$6,500 catch-up contribution limit for participants age 50 or older applies from the start of the year to those turning 50 at any time during the year.

\*\*\*For the 2020 plan year, an employee who earns more than \$125,000 in 2019 is an HCE. For the 2021 plan year, an employee who earns more than \$130,000 in 2020 is an HCE.

Source: IRS Notice 2019-59.

