



2024 Defined Contribution Plan Limits

In IRS Notice 2023-75, the IRS highlighted the following adjustments taking effect on **January 1, 2024**, for 401(k), 403(b) and most 457 plans:

Defined Contribution Plan Limits	2024	2023	2022	Change
Maximum employee elective deferral (401(k), 403b, most 457)	\$23,000	\$22,500	\$20,500	+\$500
Employee catch-up contribution (if age 50 or older by year-end)	\$7,500	\$7,500	\$6,500	No change
Defined contribution maximum limit, all sources	\$69,000	\$66,000	\$61,000	+\$3,000
Defined contribution maximum limit (if age 50 or older by year end); maximum contribution all sources plus catch-up	\$76,500	\$73,500	\$67,500	+\$3,000
Employee compensation limit for calculating contributions	\$345,000	\$330,000	\$305,000	+\$15,000
Compensation threshold of "key employees" in a top-heavy plan	\$220,000 To determine 2025 Key status	\$215,000 To determine 2024 Key status	\$200,000 To determine 2023 Key status	+\$5,000
Compensation threshold of "highly compensated employees" (HCE threshold)	\$155,000 To determine 2025 HCE status	\$150,000 To determine 2024 HCE status	\$135,000 To determine 2023 HCE status	+\$5,000

"Key employees" and "highly compensated employees" are terms used in the annual compliance testing of a retirement plan.

The \$7,500 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.

Source: IRS Notice 2023-75