

IRS and PBGC Benefit Plan Limits for 2025

Item	2025	2024	2023	2022	
Qualified Plans Compensation Limit [§401(a)(17), §404(l), §408(k)(3)(C), & §408(k)(6)(D)(ii)]	\$ 350,000	\$ 345,000	\$ 330,000	\$ 305,000	
Defined Benefit Plan Dollar Limit [§415(b)(1)(A)]	\$ 280,000	\$ 275,000	\$ 265,000	\$ 245,000	
Defined Contribution Plan Annual Additions Dollar Limit [§415(c)(1)(A)]	\$ 70,000	\$ 69,000	\$ 66,000	\$ 61,000	
401(k) Elective Deferral & 403(b) Salary Reduction Limits [§402(g)(1), and 457 Plan Deferral Limit [§457(e)(15)]	\$ 23,500	\$ 23,000	\$ 22,500	\$ 20,500	
Catch-up (age 50 or older) Contribution Limit for 401(k), 403(b), 457, and SARSEP Plans [§414(v)(2)(B)(i)&(E)(i)]	– Ages 60 to 63 – All others	\$ 11,250 7,500	\$ 7,500	\$ 6,500	
Elective Contributions to SIMPLE Plans [§408(p)(2)(E)(i)(III)]	\$ 16,500	\$ 16,000	\$ 15,500	\$ 14,000	
Catch-up (age 50 or older) Contribution Limit for SIMPLE Plans [§414(v)(2)(B)(ii)&(E)(ii)]	– Ages 60 to 63 – All others	\$ 5,250 \$ 3,500	\$ 3,500	\$ 3,000	
IRA Contribution Limit [§219(b)(5)(A)]	\$ 7,000	\$ 7,000	\$ 6,500	\$ 6,000	
Catch-up (age 50 or older) Contribution Limit for IRAs [§219(b)(5)(B)]	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	
Highly Compensated Employee Pay Threshold [§414(q)(1)(B)]	\$ 160,000	\$ 155,000	\$ 150,000	\$ 135,000	
SEP Compensation Amount [§408(k)(2)(C)]	\$ 750	\$ 750	\$ 750	\$ 650	
Compensation Limit – Certain Government Plans [§401(a)(17)]	\$ 520,000	\$ 505,000	\$ 490,000	\$ 450,000	
Tax Credit Employee Stock Ownership Plan Limits [§409(o)(1)(C)(ii)]	– 5-year maximum balance – 1-year extension	\$ 1,415,000 280,000	\$ 1,380,000 275,000	\$ 1,330,000 265,000	\$ 1,230,000 245,000
Health Savings Accounts [§223]	– HDHP minimum annual deductible (self/family) – HDHP maximum out-of-pocket limit (self/family) – Maximum HSA contribution limit (self/family) – Catch-up (age 55 or older) contribution limit	\$ 1,650/3,300 8,300/16,600 4,300/8,550 1,000	\$ 1,600/3,200 8,050/16,100 4,150/8,300 1,000	\$ 1,500/3,000 7,500/15,000 3,850/7,750 1,000	\$ 1,400/2,800 7,050/14,100 3,650/7,300 1,000
Qualified Transportation Fringe Benefit (monthly) [§132(f)(2)]	– Parking – Transit pass/vanpooling	\$ 325 325	\$ 315 315	\$ 300 300	\$ 280 280
PBGC	– Single-employer-plan maximum annual guaranteed life annuity at age 65 – Per-participant rate for flat-rate premium – Variable-rate premium percent (multiplied by plan’s unfunded PBGC liability) – Variable-rate premium per-participant cap	\$ 89,181.84 106 5.2% 717	\$ 85,295.40 101 5.2% 686	\$ 81,000.00 96 5.2% 652	\$ 74,454.60 88 4.8% 598

Social Security & Medicare Information for 2025

Item	2025	2024	2023	2022
OASDI Wage Base [6.2% payroll tax rate (FICA)]	\$ 176,100	\$ 168,600	\$ 160,200	\$ 147,000
HI Tax Point for Single Taxpayers [See ⁽¹⁾ for payroll tax rates and married tax points]	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Average Annual Wage for 2 nd Prior Year	\$ 66,621.80	\$ 63,795.13	\$ 60,575.07	\$ 55,628.60
Benefit Payment Cost-of-Living Adjustment	2.5%	3.2%	8.7%	5.9%
Maximum Annual Benefit at Full Retirement Age ("FRA") ⁽²⁾	\$ 48,216	\$ 45,864	\$ 43,524	\$ 40,140
Retirement Earnings Test – Exempt Amounts ⁽³⁾				
– Before FRA	\$ 23,400	\$ 22,320	\$ 21,240	\$ 19,560
– Year of FRA	62,160	59,520	56,520	51,960
Wages Needed for One Quarter of Coverage	\$ 1,810	\$ 1,730	\$ 1,640	\$ 1,510
PIA Formula				
– 1 st bend point	\$ 1,226	\$ 1,174	\$ 1,115	\$ 1,024
– 2 nd bend point	7,391	7,078	6,721	6,172
Maximum Family Benefit Formula				
– 1 st bend point	\$ 1,567	\$ 1,500	\$ 1,425	\$ 1,308
– 2 nd bend point	2,262	2,166	2,056	1,889
– 3 rd bend point	2,950	2,825	2,682	2,463
Medicare				
– Part A deductible (per benefit period)	\$ 1,676	\$ 1,632	\$ 1,600	\$ 1,556
– Part B annual deductible	257	240	226	233
– Part B / D monthly premiums, if (AGI + TEI) ⁽⁴⁾ is:				
• \$106,000 or less (individual) or \$212,000 or less (joint return) ⁽⁵⁾	185.00 / 0.00	174.70 / 0.00	164.90 / 0.00	170.10 / 0.00
• \$106,001 to \$133,000 (individual) or \$212,001 to \$266,000 (joint return) ⁽⁵⁾	259.00 / 13.70	244.60 / 12.90	230.80 / 12.20	238.10 / 12.40
• \$133,001 to \$167,000 (individual) or \$266,001 to \$334,000 (joint return) ⁽⁵⁾	370.00 / 35.30	349.40 / 33.30	329.70 / 31.50	340.20 / 32.10
• \$167,001 to \$200,000 (individual) or \$334,001 to \$400,000 (joint return) ⁽⁵⁾	480.90 / 57.00	454.20 / 53.80	428.60 / 50.70	442.30 / 51.70
• \$200,001 to \$499,999 (individual) or \$400,001 to \$749,999 (joint return) ⁽⁵⁾	591.90 / 78.60	559.00 / 74.20	527.50 / 70.00	544.30 / 71.30
• \$500,000 or above (individual) or \$750,000 or above (joint return) ⁽⁵⁾	628.90 / 85.80	594.00 / 81.00	560.50 / 76.40	578.30 / 77.90

(1) Whereas the HI FICA employer payroll tax rate is 1.45% on all wages, the employee rate is 1.45% up to the tax point and 2.35% on wages over the tax point. Tax point is \$250,000 for joint returns and \$125,000 for married filing separately.

(2) Full Retirement Age was 65 for people born before 1938, and is gradually increasing for people born in 1938 and later years – to age 67 for people born in 1960 or later (see chart on right). The dollar amounts shown assume no earnings during the year the individual attains FRA.

(3) Prior to the year the individual attains FRA, Social Security benefits are reduced \$1 for every \$2 in earnings above the limit. In the year the individual attains FRA, benefits are reduced \$1 for every \$3 of earnings in excess of the limit, but only pre-FRA-month earnings are considered and only pre-FRA-month benefits are reduced. (In the first year that there is a month in which the individual does not earn more than 1/12 of the applicable annual limit, an alternative monthly-limit-based test is used if it results in greater benefits paid.)

(4) Adjusted gross income plus tax-exempt interest, generally from 2nd prior year. For example, 2025 premiums are based on 2023 AGI + TEI. Part D amounts shown are income-related adjustments payable to Medicare, over and above the plan premium.

(5) The breakpoints shown for these rows apply for 2025 premiums only; breakpoints for prior years were different.

Year of Birth	Full Retirement Age
Before 1943	< 66
1943-54	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months
1959	66 and 10 months
1960 and Later	67