



Retirement Planning and Limits*

Feature	2020	2019	2018	Reference
401(k) & 403(b) - Employee Elective Deferral Maximum	\$19,500	\$19,000	\$18,500	IRC §402(g)(1)
401(k) & 403(b) - Maximum Contribution: Employer & Employee	\$57,000	\$56,000	\$55,000	IRC §415(c)(1)(A)
Eligible 457 - Employee Elective Deferral Maximum	\$19,500	\$19,000	\$18,500	IRC §457(e)(15)
401(k), 403(b) & 457 Plans "Catch-Up" Limit ¹	\$6,500	\$6,000	\$6,000	IRC §414(v)(2)(B)(i)
Annual Benefit from Defined Benefit Plan (Traditional Pension Plan)	\$230,000	\$225,000	\$220,000	IRC §415(b)(1)(A)
Solo 401(k) - Maximum Contribution ²	\$57,000	\$56,000	\$55,000	IRC §415(c)(1)(A)
SEP-IRA - Employer Maximum Contribution	\$57,000	\$56,000	\$55,000	IRC §§402(h);415(c)(1)(A)
SIMPLE-IRA - Employee Maximum Contribution ³	\$13,500	\$13,000	\$12,500	IRC §408(p)(2)(E)
SIMPLE-IRA Plan "Catch-Up" Limit	\$3,000	\$3,000	\$3,000	IRC §414(v)(2)(B)(ii)
Annual Compensation Limit	\$285,000	\$280,000	\$275,000	IRC §§401(a)(17);404(l);408(k)(3)(C)
Maximum Tax Credit for Start-Up Retirement Plan Cost ⁴	\$500 to \$5,000	\$500	\$500	IRC §45E(b)
SECURE Act's Small Employer Tax Credit for Adding Automatic Enrollment	\$500	N.A.	N.A.	IRC §45T
Individual IRA and Roth IRA - Maximum Contribution ⁵	\$6,000	\$6,000	\$5,500	IRC §219(b)(5)(A)
IRA "Catch-Up" Limit	\$1,000	\$1,000	\$1,000	IRC §219(b)(5)(B)(ii)
Income Subject to Social Security (Cap) ⁶	\$137,700	\$132,900	\$128,400	Please see footnote #6
Health Savings Account Contribution Limit - Single Coverage ⁷	\$3,550	\$3,500	\$3,450	Rev. Proc. 2019-22 & §223(b)(2)(A)
Health Savings Account Contribution Limit - Family Coverage	\$7,100	\$7,000	\$6,900	Rev. Proc. 2019-22 & §223(b)(2)(B)
Health Savings Account "Catch-Up" Limit ⁸	\$1,000	\$1,000	\$1,000	IRC §223(b)(3)

***This guide is for reference purposes only may not be used as tax or legal advice. Please consult with your professional advisor for specific answers.**

¹ Applies to individuals, who are aged 50 or older during the participant's taxable year (generally calendar).

² A married couple may contribute for each person; with sufficient income the maximum is \$114,000.

³ Employer must have 100 or fewer employees at the beginning of the plan year and generally match 3% or contribute 2% of employee compensation.

⁴ Applies to employers with 100 or fewer employees that start a SEP, Simple or Qualified Plan. For tax years beginning January 1, 2020, the tax credit adheres to a formula, which increases the maximum to \$5,000, pursuant to the SECURE Act.

⁵ Income limitations and phase outs may apply; please consult with your tax professional, includes "Payroll IRA's", which allow for contributions at work.

⁶ See: <https://www.ssa.gov/news/press/releases/2019/#10-2019-1> & <https://www.ssa.gov/news/cola/>

⁷ HSA contributions may be excluded from Social Security Income Tax ("FICA") when made through a §125 cafeteria plan.

⁸ Catch-Up contributions are available for those who will turn 55 by year-end; a married couple, both aged 55 may each contribute \$1000, through individual accounts.

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