



SANDHILL
INVESTMENT MANAGEMENT

2024 Retirement Plan Dollar Limits

In 2024, certain retirement plans and benefit plans will be subject to new limitations due to cost-of-living adjustments by the IRS and the Social Security Administration.

Below are the limits for both 2023 and 2024:

Account Types		2023 Limit	2024 Limit
IRA	Traditional and Roth IRA contribution limit	\$6,500	\$7,000
	Catch-up limit for individuals age 50 and older	\$1,000	\$1,000
SIMPLE IRA	Elective deferral limit	\$15,500	\$16,000
	Catch-up limit for individuals age 50 and older	\$3,500	\$3,500
	Maximum employer match (\$1 for \$1 match on the first 3% of employee compensation deferred).	\$14,000	\$15,500
	Maximum employer non-elective contribution (2% of employee's compensation, up to \$330k in 2023/\$345k in 2024)	\$6,100	\$6,600
	Catch-up deferral is also matched by employer if individual is age 50 or older.	\$3,000	\$3,500
SEP IRA	Maximum SEP contribution	\$66,000	\$68,000
	SEP compensation exclusion	\$650	\$750
401(k), SARSEP, 403(b), and Governmental 457(b)	Elective deferral limit	\$22,500	\$23,000
	Catch-up limit for individuals age 50 and older	\$7,500	\$7,500
Profit Sharing, 401(k), and Money Purchase Pension	Defined contribution limit (415(c) limit)	\$66,000	\$69,000
Profit Sharing, 401(k), SEP, & Money Purchase Pension	Employee annual compensation limit	\$330,000	\$345,000
401(k), SARSEP, 403(b), and Governmental 457(b)	Highly compensated employee limit (no requirement for 5% owner)	\$150,000	\$155,000
Profit Sharing, 401(k), and Money Purchase Pension	Top-heavy plan key employee compensation limit	\$200,000	\$215,000
Defined Benefit	Maximum annual benefit at retirement	\$245,000	\$265,000

Modified Adjusted Gross Income (MAGI) phase-out ranges
Traditional IRA deduction when taxpayer is covered by retirement plan at work

Filing status	2023 Limit	2024 Limit
Single or head of household	\$73,000-\$83,000	\$77,000-\$87,000
Married filing jointly	\$116,000-\$136,000	\$123,000-\$143,000
Married filing jointly for non-covered spouse with a spouse who is an active participant	\$218,000-\$228,000	\$231,000-\$241,000

MAGI phase-out ranges for Roth IRA annual contributions

Filing status	2023	2024
Single or head of household	\$138,000-\$153,000	\$146,000-\$161,000
Married filing jointly	\$218,000-\$228,000	\$231,000-\$241,000

Social Security	2023	2024
Social Security taxable wage base	\$160,000	\$167,700
Maximum earnings for individuals under normal retirement age before Social Security benefits are reduced. One dollar in benefits will be withheld for every \$2 in earnings above the limit.	\$21,240 (\$1,770/mo)	\$22,320 (\$1,860/mo)
Maximum Social Security benefit at Social Security full retirement age	\$3,627	\$3,627

529/Gift Tax Exclusion

Filing status	2023	2024
Single or head of household	\$17,000	\$18,000
Married filing jointly	\$34,000	\$36,000

Health Savings Accounts (HSAs)		2023	2024
Maximum contribution limit	Single	\$3,850	\$4,150
	Family	\$7,750	\$8,300
	Catch-Up (age 55 by the end of the year)	\$1,000	\$1,000
Minimum annual deductible for High Single Deductible Health Plan (HDHP)	Single	\$1,500	\$1,600
	Family	\$3,000	\$3,200
HDHP maximum out-of-pocket expenses	Single	\$7,500	\$8,050
	Family	\$15,000	\$16,100

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