

## 2021 Annual Retirement Planning Limits

Retirement Limits	2021	2020
Covered compensation limit	\$290,000	\$285,000
Defined benefit maximum limit	\$230,000	\$230,000
Defined contribution plan maximum limit	\$58,000	\$57,000
Salary deferral limit [401(k), 457(b), 403(b)]	\$19,500	\$19,500
Catch-up contribution limit (Age > 50)	\$6,500	\$6,500
Highly compensated employee compensation limit	\$130,000	\$130,000
Key employee compensation limit	\$185,000	\$185,000
SEP maximum contribution limit	\$58,000	\$57,000
SEP earnings limit	\$650	\$600
SIMPLE salary deferral limit	\$13,500	\$13,500
SIMPLE catch up contribution limit (Age > 50)	\$3,000	\$3,000
IRA contribution limit	\$6,000	\$6,000
IRA catch-up contribution (Age > 50)	\$1,000	\$1,000
<b>Traditional IRA Deduction Phaseouts</b>		
–MFJ - one spouse is an active participant	\$198,000 to \$208,000	\$196,000 to \$206,000
–MFJ - both taxpayers are active participants	\$105,000 to \$125,000	\$104,000 to \$124,000
–Single - taxpayer is an active participant	\$66,000 to \$76,000	\$65,000 to \$75,000
–Married filing separately	\$0 to \$10,000	\$0 to \$10,000
<b>Roth IRA Contribution Phaseouts</b>		
–MFJ	\$198,000 to \$208,000	\$196,000 to \$206,000
–Single	\$125,000 to \$140,000	\$124,000 to \$139,000
–MFS	\$0 to \$10,000	\$0 to \$10,000

Saver's Credit – AGI Limit	2021	2020
MFJ	\$66,000	\$65,000
Heads of household	\$49,500	\$48,750
MFS and single	\$33,000	\$32,500

Social Security Limits	2021	2020
Maximum taxable earnings	\$142,800	\$137,700
One quarter of coverage (max 4/year)	\$1,470	\$1,410
<b>Retirement Earnings Limits</b>		
–Before full retirement age (\$1 for \$2)	\$18,960	\$18,240
–Year of full retirement age (\$1 for \$3)	\$50,520	\$48,600
<b>Social Security Disability Thresholds</b>		
–Max earnings – blind (monthly)	\$2,190	\$2,110
–Max earnings – non blind (monthly)	\$1,310	\$1,260
Maximum monthly SS benefit	\$3,148	\$3,011
PBGC maximum – monthly @ age 65	\$6,034.09	\$5,812.50

Fringe Benefit Limits	2021	2020
Qualified parking exclusion*	\$270	\$270
Transit pass exclusion*	\$270	\$270
Adoption assistance	\$14,440	\$14,300
Adoption assistance AGI phaseout	\$216,660 to \$256,660	\$214,520 to \$254,520

### Notes

- ✓ \* \$270 is the indexed amount for 2020 and 2021. However, as a result of the 2017 TCJA, qualified transportation fringe benefits are no longer deductible after 2017 - includes parking and transit passes.
- ✓ Max contribution to a defined contribution plan increases to \$64,500 for 2021 (up from \$63,500 for 2020), which is the sum of \$58,000 plus the catch-up of \$6,500.
- ✓ The maximum contribution to a SIMPLE in 2021 is \$30,000 (same as in 2020). The full match of \$13,500 would require compensation of at least \$450,000.

