



Excellence in Plan Design & Administration

Third-Party Administration Services

Cost-of-Living-Adjustments for 2021: Changes to a Few Limits.

The Social Security Administration recently announced Cost-of-Living-Adjustments (COLA) for 2021. Changes are bolded below.

IRS Cost of Living Limitations	2020	2021
Deferral Limit for 401(k), 403(b), Salary Reduction SEPs	\$19,500	\$19,500
Catch-up Limit 401(k), 403(b) (Ages 50+)	\$6,500	\$6,500
SIMPLE Plan Deferral Limit	\$13,500	\$13,500
Catch-up Limit SIMPLE Plan (Ages 50+)	\$3,000	\$3,000
Individual Retirement Account (IRA) Limit	\$6,000	\$6,000
Catch-up Limit Individual Retirement Account (IRA)	\$1,000	\$1,000
415 Dollar Limit for Defined Contribution Plans	\$57,000	\$58,000
415 Dollar Limit for Defined Benefit Plans	\$230,000	\$230,000
Compensation Cap for Plan Purposes	\$285,000	\$290,000
Compensation for Highly Compensated Employees (HCE)	\$130,000	\$130,000
Officer Compensation for Key Employee Definition	\$185,000	\$185,000
Minimum Earnings for SEP Participation	\$600	\$650
Social Security Taxable Wage Base	\$137,700	\$142,800

Health Savings Account (HSA) and High Deductible Health Plan (HDHP) 2021 Limits

Please refer to the chart below for the 2020 and 2021 limits. Changes are bolded below.

HSA/HDHP Limits		
HDHP Plan Design Limits	2020	2021
HDHP Minimum Deductible for HSA - Single	\$1,400	\$1,400
HDHP Minimum Deductible for HSA - Family	\$2,800	\$2,800
HDHP Maximum Out of Pocket Cost - Single	\$6,900	\$7,000
HDHP Maximum Out of Pocket Cost - Family	\$13,800	\$14,000
HSA Contribution Limits	2020	2021
HSA Maximum Contribution - Single	\$3,550	\$3,600
HSA Maximum Contribution - Family	\$7,100	\$7,200
Over 55 Catch-up Limit (* set by statute)	\$1,000	\$1,000

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Please contact Tycor with any questions regarding the 2021 Limits.