



# Alert

## Employee Benefits & Executive Compensation Client Service Group

To: Our Clients and Friends

October 28, 2010

### Qualified Plan Limits

Today, the IRS issued a press release announcing its 2011 cost-of-living adjustments for retirement plans. The chart below reflects the qualified plan limits for calendar years 2008- 2011.

Type of Limitation	2011	2010	2009	2008
Elective Deferrals (401(k) and 403(b); not including adjustments and catch-ups)	\$16,500	\$16,500	\$16,500	\$15,500
457(b)(2) and 457(c)(1) Limits (not including catch-ups)	\$16,500	\$16,500	\$16,500	\$15,500
Section 414(v) Catch-Up Deferrals to 401(k), 403(b), 457(b), or SARSEP Plans <sup>1/</sup>	\$5,500	\$5,500	\$5,500	\$5,000
SIMPLE 401(k) or regular SIMPLE plans, Catch-Up Deferrals	\$2,500	\$2,500	\$2,500	\$2,500
415 limit for Defined Benefit Plans	\$195,000	\$195,000	\$195,000	\$185,000
415 limit for Defined Contribution Plans	\$49,000	\$49,000	\$49,000	\$46,000
Annual Compensation Limit	\$245,000	\$245,000	\$245,000	\$230,000
Annual Compensation Limit for Grandfathered Participants in Governmental Plans Which Followed 401(a)(17) Limits (With Indexing) on July 1, 1993	\$360,000	\$360,000	\$360,000	\$345,000
Highly Compensated Employee 414(q)(1)(B)	\$110,000	\$110,000	\$110,000	\$105,000
Key employee in top heavy plan (officer)	\$160,000	\$160,000	\$160,000	\$150,000
SIMPLE Salary Deferral	\$11,500	\$11,500	\$11,500	\$10,500
Tax Credit ESOP Maximum balance	\$985,000	\$985,000	\$985,000	\$935,000
Amount for Lengthening of 5-Year ESOP Period	\$195,000	\$195,000	\$195,000	\$185,000
Taxable Wage Base	\$106,800	\$106,800	\$106,800	\$102,000
FICA Tax for employees and employers	7.65%	7.65%	7.65%	7.65%
Social Security Tax for employees and employers	6.2%	6.2%	6.2%	6.2%
Medicare Tax for employees and employers	1.45%	1.45%	1.45%	1.45%

Reflects the issuance of IRS News Release IR-2010-108, October 28, 2010

<sup>1/</sup> This number is only the catch-up available under Code Section 414(v). Code Sections 457(b)(3) and 402(g) provide separate catch-up rules, which must also be considered in appropriate cases.

The attorneys of the Employee Benefits and Executive Compensation group of Bryan Cave LLP are available to answer your questions.

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