

401(k) PROFIT SHARING PLAN LIMITATIONS

	2014	2013	2012
ANNUAL COMPENSATION <i>401(a)(17)</i>	\$260,000	\$255,000	\$250,000
ELECTIVE DEFERRAL <i>402(g)</i>	\$17,500	17,500	\$17,000
CATCH-UP CONTRIBUTION	\$5,500	\$5,500	\$5,500
415 LIMIT <i>Defined Contribution/Defined Benefit</i>	\$52,000/\$210,000	\$51,000/\$205,000	\$50,000/\$200,000
HCE THRESHOLD	\$115,000	\$115,000	\$115,000
KEY EMPLOYEE	\$170,000	\$165,000	\$165,000
404 DEDUCTION LIMIT	25%	25%	25%
TAXABLE WAGE BASE <i>TWB</i>	\$117,000	\$113,700	\$110,100

Internal Revenue Service. COLA Increases for Dollar Limitations on Benefits and Contributions. 08 November 2013. <http://www.irs.gov/Retirement-Plans/COLA-Increases-for-Dollar-Limitations-on-Benefits-and-Contributions>

401(a)(17) Limit – The maximum compensation that can be considered for Plan purposes.

402(g) Limit – The maximum 401(k) permitted to be contributed to all Plans by a participant.

Catch-Up Limit – The maximum additional 401(k) permitted for those age 50 or greater.

415 Limit – The maximum total contributions that can be contributed to a Plan for a participant.

HCE – A Highly Compensated Employee is a more than 5% owner in the current or prior year, or, a participant with compensation in the prior year over the HCE compensation limit for the prior year.

Key Employee – An employee who is more than 5% owner, or a more than 1% up to 5% owner, with compensation over \$150,000, or, an officer with compensation over \$170,000. Key employees are determined on the last day of the prior plan year.

404 Deduction Limit – The maximum deductible contribution, calculated as a percent of eligible compensation.

TWB – Social Security Taxable Wage Base.