



# Client Alert: 2020 Dollar Limitations for Employee Benefit Plans

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The IRS annually adjusts the dollar limits for contributions and benefits in retirement and certain deferred compensation plans and for health and welfare plans. The IRS recently announced the new dollar limits for 2020.

## Related Attorneys

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	<b><u>2019 Limit</u></b>	<b><u>2020 Limit</u></b>
Maximum 401(k), 403(b) and 457(b) Elective Deferral	\$19,000	\$19,500
Maximum Catch-Up Contribution Age 50 and Older	\$6,000	\$6,500
Highly Compensated Employee Threshold	\$125,000	\$130,000
Maximum Compensation Used to Determine Contributions and Benefits	\$280,000	\$285,000
Defined Contribution Plan Annual Contribution Limit	\$56,000	\$57,000
Defined Benefit Plan Annual Benefit Limit	\$225,000	\$230,000
Top Heavy Key Employee Threshold	\$180,000	\$185,000
Health FSA	\$2,700	\$2,750
Dependent Care FSA (unchanged)	\$5,000	\$5,000
Health Savings Accounts	<b><u>Single/Family</u></b>	<b><u>Single/Family</u></b>
Maximum Contributions	\$3,500/\$7,000	\$3,550/\$7,100
Maximum Catch-Up Contribution Age 55 and Older (unchanged)	\$1,000/\$1,000	\$1,000/\$1,000
High Deductible Health Plan (HDHP)		

Minimum Deductibles	\$1,350/\$2,700	\$1,400/\$2,800
Maximum Out-of-Pocket Amounts	\$6,750/\$13,500	\$6,900/\$13,800

If you have any questions about this Alert, please feel free to call (919.781.4000) or e-mail your Wyrick Robbins contact or one of the following members of our [Employee Benefits and Executive Compensation](#) group: **Gray Hutchison** ([ghutchison@wyrick.com](mailto:ghutchison@wyrick.com)) or **San Parikh** ([sparikh@wyrick.com](mailto:sparikh@wyrick.com)).