2019 Limits for Benefit Plans

December 2018

Each year, the U.S. government adjusts the limits for retirement plans, Social Security, Medicare, and other benefit programs to reflect price and wage inflation, and changes in the law. As a result, employee benefit plans must be adapted annually to accommodate the new limits.

Tax Qualified Retirement Plans—Published by IRS

	2019	2018	2017	2016
Annual Compensation[1]				
Basic limit	$ 280,000	$ 275,000	$ 270,000	$ 265,000
Certain governmental plans	$ 415,000	$ 405,000	$ 400,000	$ 395,000
Limits on Benefits and Contributions				
Defined benefit plans, basic limit[2]	$ 225,000	$ 220,000	$ 215,000	$ 210,000
Defined contribution plans, basic limit[2]	$ 56,000	$ 55,000	$ 54,000	$ 53,000
401(k) and 403(b) plans, elective deferrals	$ 19,000	$ 18,500	$ 18,000	$ 18,000
457(b) plans, elective deferrals	$ 19,000	$ 18,500	$ 18,000	$ 18,000
415 compensation limit adjustment factor	1.0264	1.0197	1.0112	1.0011
Catch-up Contributions				
401(k), 403(b), or governmental 457(b) plans	$ 6,000	$ 6,000	$ 6,000	$ 6,000
SIMPLE plans	$ 3,000	$ 3,000	$ 3,000	$ 3,000
SIMPLE Plans: Elective Deferral Limit	$ 13,000	$ 12,500	$ 12,500	$ 12,500
Simplified Employee Pensions				
Minimum compensation	$ 600	$ 600	$ 600	$ 600
Maximum compensation	$ 280,000	$ 275,000	$ 270,000	$ 265,000
Tax Credit ESOPS				
5-year limit	$ 1,130,000	$ 1,105,000	$ 1,080,000	$ 1,070,000
Additional 1-year limit	$ 225,000	$ 220,000	$ 215,000	$ 210,000
"Highly Compensated" Definition[3]	$ 125,000	$ 120,000	$ 120,000	$ 120,000
"Officer" for "Key Employee" Definition	$ 180,000	$ 175,000	$ 175,000	$ 170,000
430(c) Excess Employee Compensation[4]	N/A	N/A	$ 1,115,000	$ 1,106,000
Covered Compensation at Age 65[5]	$ 85,920	$ 83,124	$ 80,496	$ 77,640

[1] Limit applies to plan year (or 12-consecutive-month period) beginning in indicated calendar year.
[2] Limit applies to limitation year ending in indicated calendar year.
[3] Limit applies to compensation during the plan year beginning in indicated calendar year to determine highly compensated for following plan year.
[4] The 430(c) excess employee compensation limit is no longer applicable. The final year for any carry-forward excess compensation amounts was 2017.
[5] Amount applies in indicated calendar year to individuals age 65 in that year. It does not include increases beyond age 65 for individuals with a Social Security normal retirement age greater than 65. As of the date this is published, the 2019 amount was not official.

Empower Results®

Defined Benefit Plan Insurance—Published by PBGC

	2019	2018	2017	2016
Maximum Guaranteed Benefit (Age 65 Annual SLA)	$ 67,295.40	$ 65,045.40	$ 64,431.84	$ 60,136.32
Single Employer Premium:				
Fixed-rate, per participant	$ 80	$ 74	$ 69	$ 64
Variable-rate (% of unfunded liability)	4.3%	3.8%	3.4%	3.0%
Variable-rate (per participant maximum)	$ 541	$ 523	$ 517	$ 500
Multiemployer Premium	$ 29	$ 28	$ 28	$ 27

Social Security—Published by SSA

	2019	2018	2017	2016
Payroll Taxes				
Employer and employee share	6.20% each	6.20% each	6.20% each	6.20% each
Wage base	$ 132,900	$ 128,400	$ 127,200	$ 118,500
Earnings Test Thresholds				
Years before normal retirement age[6]	$ 17,640	$ 17,040	$ 16,920	$ 15,720
Year of normal retirement age[7]	$ 46,920	$ 45,360	$ 44,880	$ 41,880
Cost-of-Living Adjustment, at End of Prior Year	2.8%	2.0%	0.3%	0.0%
Maximum Annual Benefit (Starting at Age 65)[8]	$ 33,084	$ 31,068	$ 30,504	$ 29,892
Primary Insurance Amount (PIA) "Bend Points"				
90% of average indexed monthly earnings (AIME) up to:	$ 926	$ 895	$ 885	$ 856
32% of excess AIME up to (and 15% of excess over):	$ 5,583	$ 5,397	$ 5,336	$ 5,157
Family Maximum "Bend Points"				
150% of PIA up to:	$ 1,184	$ 1,144	$ 1,131	$ 1,093
272% of excess PIA up to:	$ 1,708	$ 1,651	$ 1,633	$ 1,578
134% of excess PIA up to (and 175% of excess over):	$ 2,228	$ 2,154	$ 2,130	$ 2,058
Average Covered Wages, for Indexing Wages	—	—	$ 50,321.89	$ 48,642.15

[6] In 2009 through 2020, the Social Security normal retirement age is age 66. The normal retirement age will gradually increase to age 67 in 2027.

[7] This earnings test applies in the months before a worker's Social Security normal retirement age in the year the worker attains that age. For example, the earnings test would apply to a worker born in November 1953 for the 10 months before the Social Security normal retirement age of 66 (i.e., November 2019).

[8] For retirement at age 65, the Social Security benefit is reduced for early retirement for employees born after 1937.

Medicare—Published by Centers for Medicare & Medicaid Services

	2019	2018	2017	2016
Part A (Hospital Insurance)				
Payroll tax rate, employer share/employee share	1.45%	1.45%	1.45%	1.45%
Wage base	Unlimited	Unlimited	Unlimited	Unlimited
Additional tax rate, employee only[9]	0.9%	0.9%	0.9%	0.9%
Inpatient deductible	$ 1,364.00	$ 1,340.00	$ 1,316.00	$ 1,288.00
Daily coinsurance, days 61-90	$ 341.00	$ 335.00	$ 329.00	$ 322.00
Daily coinsurance, days 91-150 lifetime reserve	$ 682.00	$ 670.00	$ 658.00	$ 644.00
Daily coinsurance, skilled nursing facility, days 21-100	$ 170.50	$ 167.50	$ 164.50	$ 161.00
Part B (Supplementary Medical Insurance)				
Monthly premium[10]	$ 135.50	$ 134.00	$ 134.00	$ 121.80
Deductible	$ 185.00	$ 183.00	$ 183.00	$ 166.00
Part D (Standard Drug Insurance)				
Monthly premium[11] CMS avg.	$ 33	$ 34	$ 34	$ 33
Deductible	$ 415	$ 405	$ 400	$ 360
Initial coverage limit (Medicare pays 75%)	$ 3,820	$ 3,750	$ 3,700	$ 3,310
Out-of-pocket threshold (Medicare pays 0%)	$ 5,100	$ 5,000	$ 4,950	$ 4,850
Catastrophic coverage for low income subsidy beneficiaries (Medicare pays 95%)	$ 7,653.75	$ 7,508.75	$ 7,425.00	$ 7,062.50

Health Savings Accounts—Published by IRS

	2019		2018		2017		2016	
	Single	**Family**	**Single**	**Family**	**Single**	**Family**	**Single**	**Family**
Maximum Contributions	$ 3,500	$ 7,000	$ 3,450	$ 6,900	$ 3,400	$ 6,750	$ 3,350	$ 6,750
Minimum Deductible	$ 1,350	$ 2,700	$ 1,350	$ 2,700	$ 1,300	$ 2,600	$ 1,300	$ 2,600
Maximum Out-of-Pocket[12]	$ 6,750	$ 13,500	$ 6,650	$ 13,300	$ 6,550	$ 13,100	$ 6,550	$ 13,100
Catch-up Contributions	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000

Medical Savings Accounts—Published by IRS

		2019	2018	2017	2016
Contribution Range	Single	$ 1,527.50-$2,275.00	$ 1,495.00-$2,242.50	$ 1,462.50-$2,177.50	$ 1,462.50-$2,177.50
	Family	$ 3,487.50-$5,250.00	$ 3,412.50-$5,137.50	$ 3,375.00-$5,062.50	$ 3,337.50-$5,025.00
Deductible Range	Single	$ 2,350-$3,500	$ 2,300-$3,450	$ 2,250-$3,350	$ 2,250-$3,350
	Family	$ 4,650-$7,000	$ 4,550-$6,850	$ 4,500-$6,750	$ 4,450-$6,700
Maximum Out-of-Pocket	Single	$ 4,650	$ 4,550	$ 4,500	$ 4,450
	Family	$ 8,550	$ 8,400	$ 8,250	$ 8,150

[9] On individual's wages and other compensation in excess of $200,000 (or, if married filing a joint return, $250,000).

[10] The income-related Part B premiums for 2019 will be $189.60, $270.90, $352.20, $433.40, or $460.50, if an individual's 2017 "modified adjusted gross income" exceeds $85,000, $107,000, $133,500, $160,000, or $500,000 respectively (or, if married filing a joint return, $170,000, $214,000, $267,000, $320,000, or $750,000 respectively). The base premium and income-related amounts do not reflect the "hold harmless" limit (capping premiums at prior year levels for most individuals).

[11] These figures are averages. The premiums vary depending upon the type of coverage and the private sector insurer sponsoring the Part D plan.

[12] The individual out-of-pocket maximum for family members follows the single member limit that applies to group health plans ($7,900 in 2019).

Group Health Plans (Other Than HDHP/HSA)—Published by the Department of Health and Human Services

	2019		2018		2017		2016	
	Single	Family	Single	Family	Single	Family	Single	Family
Maximum Out-of-Pocket (Limitation on Cost Sharing)	$ 7,900	$ 15,800	$ 7,350	$ 14,700	$ 7,150	$ 14,300	$ 6,850	$ 13,700

Health FSAs

	2019	2018	2017	2016
Maximum	$ 2,700	$ 2,650	$ 2,600	$ 2,550

Dependent Care FSAs/Dependent Care Assistance Plans

	2019	2018	2017	2016
Maximum	$ 5,000	$ 5,000	$ 5,000	$ 5,000

Long-Term Care Insurance Deductible Premiums—Published by IRS

	2019	2018	2017	2016
Age 40 or Less	$ 420	$ 420	$ 410	$ 390
Age 41-50	$ 790	$ 780	$ 770	$ 730
Age 51-60	$ 1,580	$ 1,560	$ 1,530	$ 1,460
Age 61-70	$ 4,220	$ 4,160	$ 4,090	$ 3,900
Older than 70	$ 5,270	$ 5,200	$ 5,110	$ 4,870

Control Employee Definition for Commuting Valuation—Published by IRS

	2019	2018	2017	2016
Officer Compensation	$ 110,000	$ 110,000	$ 105,000	$ 105,000
Employee Compensation	$ 225,000	$ 220,000	$ 215,000	$ 215,000

Qualified Transportation Fringe Benefits—Published by IRS

	2019	2018	2017	2016
Monthly Parking	$ 265	$ 260	$ 255	$ 255
Monthly Transit Pass/Commuter Vehicle	$ 265	$ 260	$ 255	$ 255

Adoption Exclusion and Credit—Published by IRS

	2019	2018	2017	2016
Maximum for Exclusion and Credit, Per Child	$ 14,080	$ 13,810	$ 13,570	$ 13,460
Phase-out Start for Credit[13]	$ 211,160	$ 207,140	$ 203,540	$ 201,920

[13] Completely phased out for taxpayers with modified adjusted gross income of $251,160 or more in 2019.

Retirement Savings Contributions Credit (Saver's Credit)—Published by IRS

	2019	2018	2017	2016
Maximum Saver's Credit				
Married filing jointly	$ 4,000	$ 4,000	$ 4,000	$ 4,000
Other	$ 2,000	$ 2,000	$ 2,000	$ 2,000
Credit Fully Phased Out if Adjusted Gross Income Over				
Married filing jointly	$ 64,000	$ 63,000	$ 62,000	$ 61,500
Head of household	$ 48,000	$ 47,250	$ 46,500	$ 46,125
Other	$ 32,000	$ 31,500	$ 31,000	$ 30,750

Federal Standard Deduction and Exemption—Published by IRS

	2019	2018	2017	2016
Basic Standard Deduction				
Married filing jointly	$ 24,400	$ 24,000	$ 12,700	$ 12,600
Head of household	$ 18,350	$ 18,000	$ 9,350	$ 9,300
Single	$ 12,200	$ 12,000	$ 6,350	$ 6,300
Personal exemption	$ 0	$ 0	$ 4,050	$ 4,050

Federal Income Tax Brackets—Published by IRS

		2019	2018		2017	2016
Married Filing Jointly	**Rate**	**Tax Bracket**	**Tax Bracket**	**Rate**	**Tax Bracket**	**Tax Bracket**
Rate applies to taxable income in excess of amount shown and not over the floor of the next tax bracket	10.0%	$ 0	$ 0	10.0%	$ 0	$ 0
	12.0%	$ 19,400	$ 19,050	15.0%	$ 18,650	$ 18,550
	22.0%	$ 78,950	$ 77,400	25.0%	$ 75,900	$ 75,300
	24.0%	$ 168,400	$ 165,000	28.0%	$ 153,100	$ 151,900
	32.0%	$ 321,450	$ 315,000	33.0%	$ 233,350	$ 231,450
	35.0%	$ 408,200	$ 400,000	35.0%	$ 416,700	$ 413,350
	37.0%	$ 612,350	$ 600,000	39.6%	$ 470,700	$ 466,950
Head of Household						
Rate applies to taxable income in excess of amount shown and not over the floor of the next tax bracket	10.0%	$ 0	$ 0	10.0%	$ 0	$ 0
	12.0%	$ 13,850	$ 13,600	15.0%	$ 13,350	$ 13,250
	22.0%	$ 52,850	$ 51,800	25.0%	$ 50,800	$ 50,400
	24.0%	$ 84,200	$ 82,500	28.0%	$ 131,200	$ 130,150
	32.0%	$ 160,700	$ 157,500	33.0%	$ 212,500	$ 210,800
	35.0%	$ 204,100	$ 200,000	35.0%	$ 416,700	$ 413,350
	37.0%	$ 510,300	$ 500,000	39.6%	$ 444,550	$ 441,000
Single						
Rate applies to taxable income in excess of amount shown and not over the floor of the next tax bracket	10.0%	$ 0	$ 0	10.0%	$ 0	$ 0
	12.0%	$ 9,700	$ 9,525	15.0%	$ 9,325	$ 9,275
	22.0%	$ 39,475	$ 38,700	25.0%	$ 37,950	$ 37,650
	24.0%	$ 84,200	$ 82,500	28.0%	$ 91,900	$ 91,150
	32.0%	$ 160,725	$ 157,500	33.0%	$ 191,650	$ 190,150
	35.0%	$ 204,100	$ 200,000	35.0%	$ 416,700	$ 413,350
	37.0%	$ 510,300	$ 500,000	39.6%	$ 418,400	$ 415,050

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