



IRS Issues 2023 Benefit Contribution Limits

October 2022

On October 18, 2022, the Internal Revenue Service (IRS) issued Revenue Procedure 2022-38, updating the indexed contribution limits for the following employee benefit programs.

Benefit	2023 Limit	2022 Limit
Health Flexible Spending Account	\$3,050/year	\$2,850/year
For plans that allow the carryover of unused amounts	\$610	\$570
Qualified Transportation Fringe Benefit	\$300/month	\$280/month
Qualified Parking Benefit	\$300/month	\$280/month
Qualified Adoption Assistance Program	\$15,950/adoption (subject to income limits)	\$14,890/adoption (subject to income limits)

What Employers Should Do Now

Employers that wish to allow employees to contribute up to the maximum limits for 2023 should update their open enrollment information and plan documents. If open enrollment for 2023 has ended, employers may want to consider allowing participants to change their elections to increase their contributions for 2023. Any such change should be made before the beginning of the plan year.

Resources

IRS Information Release 2022-182 is available [here](#).

IRS Revenue Procedure 2021-38 is available [here](#).



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