



COLA Increases for Dollar Limitations on Benefits and Contributions

The Internal Revenue Code provides for dollar limitations on benefits and contributions under qualified retirement plans. Code §415 requires the limits to be adjusted annually for cost-of-living increases. The IRS announced on October 28, 2010 cost-of-living adjustments applicable to dollar limitations for pension plans and other items for tax year 2011.

Please see our [COLA Increases Table](#) for prior years' dollar limitations.

Code Section	2011	2010	2009	2008
IRAs				
IRA Contribution Limit - 219(b)(5)(A)	5,000	5,000	5,000	5,000
IRA Catch-Up Contributions - 219(b)(5)(B)	1,000	1,000	1,000	1,000
IRA AGI Deduction Phase-out Starting at				
Joint Return	90,000	89,000	89,000	85,000
Single or Head of Household	56,000	56,000	55,000	53,000
SEP				
SEP Minimum Compensation - 408(k)(2)(C)	550	550	550	500
SEP Maximum Compensation - 408(k)(3)(C)	245,000	245,000	245,000	230,000
SIMPLE Plans				
SIMPLE Maximum Contributions - 408(p)(2)(E)	11,500	11,500	11,500	10,500
Catch-up Contributions - 414(v)(2)(B)(ii)	2,500	2,500	2,500	2,500
401(k), 403(b), Profit-Sharing Plans, etc.				
Annual Compensation - 401(a)(17)/404(l)	245,000	245,000	245,000	230,000
Elective Deferrals - 402(g)(1)	16,500	16,500	16,500	15,500
Catch-up Contributions - 414(v)(2)(B)(i)	5,500	5,500	5,500	5,000
Defined Contribution Limits - 415(c)(1)(A)	49,000	49,000	49,000	46,000
ESOP Limits - 409(o)(1)(C)	985,000	985,000	985,000	935,000
	195,000	195,000	195,000	185,000
Other				
HCE Threshold - 414(q)(1)(B)	110,000	110,000	110,000	105,000
Defined Benefit Limits - 415(b)(1)(A)	195,000	195,000	195,000	185,000
Key Employee - 416(i)(1)(A)(i)	160,000	160,000	160,000	150,000
457 Elective Deferrals - 457(e)(15)	16,500	16,500	16,500	15,500
Control Employee - 1.61-21(f)(5)(i)	95,000	95,000	95,000	90,000
Control Employee - 1.61-21(f)(5)(iii)	195,000	195,000	195,000	185,000
Taxable Wage Base	106,800	106,800	106,800	102,000

We have also produced a white paper that discusses the methodology that the Service uses to determine the limitations. This white paper includes the unrounded limitations.