

EMPLOYEE BENEFITS ALERT

October 2015

CHANGES IN 2016 ANNUAL RETIREMENT BENEFIT AND RELATED LIMITS

The IRS recently announced the annual qualified retirement benefit limits for 2016. The most commonly used limitations are unchanged. The following is a *Desk Reference Summary* of the most common limits and how they compare with the limits for 2014 and 2015.

| | 2014 | 2015 | 2016 |
|--|-----------|-----------|-----------|
| Dollar Limit for Defined Benefit Plans | \$210,000 | \$210,000 | \$210,000 |
| Dollar Limit for Defined Contribution Plans | 52,000 | 53,000 | 53,000 |
| 401(k) and 403(b) Maximum Deferral | 17,500 | 18,000 | 18,000 |
| Catch-up Contribution for Participants Aged 50 or over (401(k) and 403(b)) | 5,500 | 6,000 | 6,000 |
| Social Security Taxable Wage Base | 117,000 | 118,500 | 118,500 |
| Maximum Compensation Allowable for Benefit Purposes | 260,000 | 265,000 | 265,000 |
| Maximum Compensation to Determine Highly Compensated Status | 115,000 | 120,000 | 120,000 |
| SIMPLE Maximum Deferral | 12,000 | 12,500 | 12,500 |
| SIMPLE Catch-up Contribution for Participants Aged 50 or over | 2,500 | 3,000 | 3,000 |
| 457 Maximum Deferral | 17,500 | 18,000 | 18,000 |

*The **Employee Benefits Alert** is intended to keep readers current on matters affecting employee benefits, and is not intended to be legal advice. If you have any questions, please call **William S. Carter** at 412.566.6016, **Kathryn A. English** at 412.566.1226, **Heather Stone Fletcher** at 412.566.6112, **Michael J. Herzog** at 412.566.6130, **Sandra R. Mihok** at 412.566.1903, **Paul M. Yenerall** at 412.566.1944, or any other attorney with whom you have been working.*