

## Employee Benefits Plan Newsletter

# 2019 Cost of Living Adjustments

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Plan sponsors should review the cost of living adjustments (COLAs) to determine what, if any, changes need to be communicated to employees via orientation meetings and enrollment forms. In addition, the amounts may need to be updated and/or inputted into the payroll or other human resources information system used by the employer to monitor contributions made to an employee benefit plan.

The table below contains the dollar limitation for retirement plans and other benefit plan limits and thresholds for the 2017 through 2019 tax years.

Limits			
<u>Retirement Plans</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>402(g) Elective Deferrals. Maximum salary-reduction contribution; 401(k), 403(b) and 457(b) plans.</b>	\$19,000	\$18,500	\$18,000
<b>Catch-up Contributions. Age 50 or older additional salary reduction contributions; 401(k), 403(b), government 457(b) plans.</b>	\$6,000	\$6,000	\$6,000
<b>401(a)(17) Compensation Limit. Ceiling for using compensation to determine benefits in a qualified retirement plan.</b>	\$280,000	\$275,000	\$270,000
<b>415. Maximum dollar amount for a defined contribution plan (excludes catch-up).</b>	\$56,000	\$55,000	\$54,000
<b>Highly Compensated Employee (HCE). Compensation earned in a prior year is used to determine if a participant is a HCE.</b>	\$125,000	\$120,000	\$120,000
<b>Key Employee. Minimum compensation for an officer to be treated as a "key employee."</b>	\$180,000	\$175,000	\$175,000

<b><u>Social Security Wage Base</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>
<b>Social Security Taxable Wage Base.</b>	\$132,900	\$128,400	\$127,200
<b><u>Welfare Plans</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>
<b>Health FSA Contribution Limit.</b>	\$2,700	\$2,650	\$2,600
<b>HSA Contribution Limit – Single.</b>	\$3,500	\$3,450	\$3,400
<b>HSA Contribution Limit – Family.</b>	\$7,000	\$6,900	\$6,750
<b>Catch-up Contributions Age 55 or older</b>	\$1,000	\$1,000	\$1,000

**Contact Us**

For more information or if you have any questions, contact your PKF O'Connor Davies, LLP representative or [Louis F. LiBrandi](mailto:lbrandi@pkfod.com), Principal at [lbrandi@pkfod.com](mailto:lbrandi@pkfod.com) or 646.449.6327.

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