

IRS Employee Benefit Plan Limits

	2017	2016	2015	2014	2013
401(k)/403(b)/457(b) plan maximum elective deferral	18,000	18,000	18,000	17,500	17,500
Retirement plan catch-up contribution (age 50+)	6,000	6,000	6,000	5,500	5,500
Defined contribution plan maximum annual addition	54,000	53,000	53,000	52,000	51,000
Qualified retirement plan maximum compensation limit	270,000	265,000	265,000	260,000	255,000
Maximum annual pension (at age 65)	215,000	210,000	210,000	210,000	205,000
SIMPLE IRA and SIMPLE 401(k)	12,500	12,500	12,500	12,000	12,000
Highly compensated employee—compensation threshold	120,000	120,000	120,000	115,000	115,000
Key employee—officer compensation threshold	175,000	170,000	170,000	170,000	165,000
Social Security wage base (6.2% tax rate)	127,200	118,500	118,500	117,000	113,700
HSA contribution—single enrollment	3,400	3,350	3,350	3,300	3,250
HSA contribution—family enrollment	6,750	6,750	6,650	6,550	6,450
HSA catch-up contribution (age 55+)	1,000	1,000	1,000	1,000	1,000
HDHP minimum deductible—single enrollment	1,300	1,300	1,300	1,250	1,250
HDHP minimum deductible—family enrollment	2,600	2,600	2,600	2,500	2,500
HDHP maximum out of pocket—single enrollment	6,550	6,550	6,450	6,350	6,250
HDHP maximum out of pocket—family enrollment	13,100	13,100	12,900	12,700	12,500
ACA maximum out of pocket—individual	7,150	6,850	6,600	6,350	N/A
ACA maximum out of pocket—family	14,300	13,700	13,200	12,700	N/A
Qualified Transportation—Parking (monthly)	255	255	250	250	245
Qualified Transportation—Transit (monthly)	255	255	250	250	245
Health Flexible Spending Account maximum	2,600	2,550	2,550	2,500	2,500
Dependent Care Flexible Spending Account maximum	5,000	5,000	5,000	5,000	5,000

IRS ACA Employer Shared Responsibility

	2017	2016	2015	2014	2013
4980H(a) penalty for not offering health coverage	2,260	2,160	2,080	2,000	N/A
4980H(b) penalty for FT EEs with premium tax credit	3,390	3,240	3,120	3,000	N/A
Affordability: maximum percent of income	9.69%	9.66%	9.56%	9.5%	N/A

Highly Compensated Employees. The compensation threshold remains at \$120,000 for prior plan year compensation. This group can be further limited to the top 20% of all eligible employees, ranked by compensation.

Key Employees. The compensation threshold for officers increases to \$175,000. The compensation threshold for more-than-1%-owners remains \$150,000 (not indexed).

HDHP and ACA maximum out of pocket limits. An individual's maximum out of pocket cannot be higher than either the HDHP or ACA limit for an individual, even when covered through family enrollment.

Qualified Transportation—Transit. For 2012, 2014, and 2015, the monthly transit limit was retroactively increased by Congress (from \$125, \$130, and \$130 respectively) to match the monthly parking limit for the year. For 2016 forward, the transit limit will continue to match the parking limit without further legislation.

4980H(a). Annual per employee penalty amount for large employers who do not offer coverage to at least 95% (70% in 2015) of full-time employees. If any full-time employee enrolls in Marketplace coverage with a tax credit, penalty is charged on a monthly basis times the number of full-time employees, minus 30 (minus 80 in 2015).

4980H(b). Annual per employee penalty amount for large employers if a full-time employee is not offered affordable coverage and enrolls in Marketplace coverage with a tax credit. Penalty is charged on a monthly basis only for the full-time employees receiving the tax credit.

Affordability. For employer medical coverage to be considered "affordable", the employee's contribution for single coverage in the lowest cost plan can be no more than the ACA affordability percent of 1) Federal Poverty Level, 2) the employee's rate of pay, or 3) the employee's W-2 Box 1 income.