

## IRS Employee Benefit Plan Limits

	2018	2017	2016	2015	2014
401(k), 403(b), & 457(b) plan maximum elective deferral	18,500	18,000	18,000	18,000	17,500
Retirement plan catch-up contribution (age 50+)	6,000	6,000	6,000	6,000	5,500
Defined contribution plan maximum annual addition	55,000	54,000	53,000	53,000	52,000
Qualified retirement plan maximum compensation limit	275,000	270,000	265,000	265,000	260,000
Maximum annual pension (at age 65)	220,000	215,000	210,000	210,000	210,000
Highly compensated employee—compensation threshold	120,000	120,000	120,000	120,000	115,000
Key employee—officer compensation threshold	175,000	175,000	170,000	170,000	170,000
Social Security wage base (6.2% tax rate)	128,400	127,200	118,500	118,500	117,000
HSA contribution—single enrollment	3,450	3,400	3,350	3,350	3,300
HSA contribution—family enrollment	<b>*6,900</b>	6,750	6,750	6,650	6,550
HSA catch-up contribution (age 55+)	1,000	1,000	1,000	1,000	1,000
HDHP minimum deductible—single enrollment	1,350	1,300	1,300	1,300	1,250
HDHP minimum deductible—family enrollment	2,700	2,600	2,600	2,600	2,500
HDHP maximum out of pocket—single enrollment	6,650	6,550	6,550	6,450	6,350
HDHP maximum out of pocket—family enrollment	13,300	13,100	13,100	12,900	12,700
ACA maximum out of pocket—individual	7,350	7,150	6,850	6,600	6,350
ACA maximum out of pocket—family	14,700	14,300	13,700	13,200	12,700
Qualified Transportation—Parking (monthly)	260	255	255	250	250
Qualified Transportation—Transit (monthly)	260	255	255	250	250
Health Flexible Spending Account maximum	2,650	2,600	2,550	2,550	2,500
Dependent Care Flexible Spending Account maximum	5,000	5,000	5,000	5,000	5,000

## IRS ACA Employer Shared Responsibility

	2018	2017	2016	2015	2014
4980H(a) penalty for not offering health coverage	2,320	2,260	2,160	2,080	2,000
4980H(b) penalty for FT EEs with premium tax credit	3,480	3,390	3,240	3,120	3,000
Affordability: maximum percent of income	9.56%	9.69%	9.66%	9.56%	9.5%

**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 remains at \$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.

**4980H(a).** Annual per employee penalty amount for large employers who do not offer coverage to at least 95% 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.

**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.

**\*HSA Contribution—family enrollment.** [IRS Revenue Procedure 2018-27](#), issued April 26, 2018, announced that taxpayers could treat \$6,900 as the annual limit on HSA contributions for family level coverage in 2018.