

November 6th, 2023

IMPORTANT NOTICE

Contribution Limits and Thresholds for 2024

As your Third Party Plan Administrator for your 403(b), 457(b) or your 125 and / or 132 Plan Flexible Benefit Plan, Tax Deferred Solutions (TDS) is dedicated to providing you with exceptional service and strives to keep you informed regarding your Plan.

The Internal Revenue Service recently announced the cost-of-living adjustments which go into effect as of 1/1/2023 and affect the contribution limits for pension/retirement plans and flexible benefit plans.

The following chart shows the 2023 and 2024 benefit plan limits applicable to clients and plans TDS administers. Increased amounts for 2024 are shown in **bold**.

Limit	2023	2024
403(b) and 457 Plans		
Maximum salary-reduction "Employee" contribution for an individual to a 403(b) plan or 457(b) plans. The 457(b) limit is separate from 403(b) limit.	\$22,500	\$23,000
Maximum age related catch-up contribution for an individual age 50 or older, to a 403(b) plan or 457(b) plan	\$7,500	\$7,500
Maximum Special (15-year) 403(b) plan catch up provision contribution	\$3,000 annual \$15,000 life time with Employer	\$3,000 annual \$15,000 life time with Employer
Maximum Final 3 year catch up provision for 457(b) plan	\$22,500	\$23,000
Combined Employee and Employer Contributions to 457(b) plan for each employee	\$22,500	\$23,000
Maximum 415(c) "annual addition" combined Employee and Employer contributions under a qualified defined contribution plan. Does not include age related catch up provision contributions.	\$66,000	\$69,000

125/ 132 Flexible Benefit Plans:		
Minimum annual compensation for an individual to be treated as a "highly compensated employee" for the following year	\$150,000	\$155,000
Minimum annual compensation for an officer to be treated as a "key employee" as to a qualified plan	\$215,000	\$220,000
Limit on voluntary employee salary-reduction contributions to a health flexible-spending arrangement under a cafeteria plan	\$3,050	\$3,050
Limit on voluntary employee salary-reduction contributions to a dependent care flexible spending account under a cafeteria plan	\$5,000	\$5,000
Monthly limit on aggregate fringe benefit exclusion amount for transportation in a commuter highway vehicle and for any transit pass	\$300	\$300
Monthly limit on aggregate fringe benefit exclusion amount for qualified parking	\$300	\$300
Maximum annual contribution for an individual with self-only coverage under a high-deductible health plan (HDHP)	\$3,850	\$4,150