

NOVEMBER 2018

Annual Benefit Limits

The ERISA Law Group

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Dollar Limitations for 2019

Various retirement plan limits are subject to annual cost-of-living adjustments. The IRS has issued the limits for 2019. The adjustment to plan-related limits is always a reminder that the end of the year is fast approaching. Often, December 31 (or January 1) is a deadline to adopt plan amendments, implement changes in plan administration or take other actions related to your benefit plans. Some of the commonly applicable limits for 2019 are as follows:

2019 Retirement Plan Limits

Type of Limit	Amount	Note
Elective Deferrals Limit	\$19,000	<i>Increased from 2018 – Applies to 401(k), 403(b), and 457(b) deferrals</i>
Catch-up Deferrals Limit	\$6,000	<i>Unchanged from 2018</i>
Annual Additions Limit	\$56,000	<i>Increased from 2018 – Represents maximum employee + employer contributions (before catch-up contributions) to a 401(k), profit sharing or other defined contribution plan</i>
Defined Benefit Plans Limit	\$225,000	<i>Increased from 2018 – Represents the maximum annual pension payable from a defined benefit plan</i>
Annual Compensation Limit	\$280,000	<i>Increased from 2018 – Retirement plans generally may only recognize compensation up to this limit, which has the effect of limiting retirement plan accumulations for high-paid employees</i>
Highly Compensated Employee (“HCE”) Threshold	\$125,000	<i>Increased from 2018 – Employees with prior year compensation above this threshold are considered HCEs for purposes of plan nondiscrimination testing</i>
Social Security Taxable Wage Base	\$132,900	<i>Increased from 2018 – This limit affects the way in which employer contributions are allocated to participants under “integrated” plans</i>

Source: IRS Notice 2018-83 (November 1, 2018) and corresponding Social Security Administration News Release (October 11, 2018)

Firm News

We are excited to share good news about The ERISA Law Group! We have opened a new office in Kansas with attorney Jeffrey Johns. Jeff has been working with the firm since early 2018. Many of our clients and colleagues have already had the opportunity to work with him, and the rest of our clients should hear from him soon. JJ (as we sometimes call him) is an experienced ERISA and benefits attorney with over 15 years of practice at large law firms, as in-house employee benefits counsel for a large publicly-traded employer, and for employers and plan sponsors of all sizes. In addition to many day-to-day legal responsibilities, some of our administrative tasks (such as billing) will start to be handled by the Kansas office. We believe that these enhancements should be seamless for our clients. If you have any questions please let us know.

For additional information or if you have questions, please contact Jeffery Mandell (jeff@erisalawgroup.com) at 208.342.5522 or Jeffrey Johns (jjohns@erisalawgroup.com) at 913.647.7552.

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