

October 15, 2009

TCRS 2009-08: Selected Pension Plan Limitations for 2010

**SELECTED PENSION PLAN LIMITATIONS FOR 2005 – 2010**

<b>Benefit Limit</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009 &amp; 2010</b>
IRC § 415(b)(1)(A) Defined Benefit Dollar Limit for Plan Years Ending in	\$170,000 <sup>1</sup>	\$175,000 <sup>1</sup>	\$180,000 <sup>1</sup>	\$185,000 <sup>1</sup>	\$195,000 <sup>1</sup>
IRC § 415(c)(1)(A) Defined Contribution Dollar Limit for Plan Years Ending in	\$42,000 <sup>2</sup>	\$44,000 <sup>2</sup>	\$45,000 <sup>2</sup>	\$46,000 <sup>2</sup>	\$49,000 <sup>2</sup>
Elective Deferral Limit for 401(k), 403(b) & 457(b) Plans IRC §§ 402(g)(1), 457(e)(15)	\$14,000 <sup>3</sup>	\$15,000 <sup>3</sup>	\$15,500 <sup>3</sup>	\$15,500 <sup>3</sup>	\$16,500 <sup>3</sup>
Catch-Up Limit for 401(k), 403(b) & 457(b) (gov. only) Plans (age 50+)	\$4,000 <sup>4</sup>	\$5,000 <sup>4</sup>	\$5,000 <sup>4</sup>	\$5,000 <sup>4</sup>	\$5,500 <sup>4</sup>
Minimum Compensation Amount for SEPs (Non-SIMPLE) IRC § 408(k)(2)(C)	\$ 450	\$450	\$500	\$500	\$550
Maximum Compensation Limit for SEPs - IRC § 408(k)(3)(C), 408(k)(6)(D)(ii), Qualified Plans, IRC §§ 401(a)(17), 404(l) Plan Years beginning in	\$210,000 <sup>5</sup>	\$220,000 <sup>5</sup>	\$225,000 <sup>5</sup>	\$230,000 <sup>5</sup>	\$245,000 <sup>5</sup>
Highly Compensated Employee Definitional Limits IRC § 414(q)(1)(B)	\$ 95,000 <sup>6</sup>	\$100,000 <sup>6</sup>	\$100,000 <sup>6</sup>	\$105,000 <sup>6</sup>	\$110,000 <sup>6</sup>
ESOP Payout Limits IRC § 409(o)(1)(C)(ii)	\$170,000 <sup>7</sup> \$850,000 <sup>8</sup>	\$175,000 <sup>7</sup> \$885,000 <sup>8</sup>	\$180,000 <sup>7</sup> \$915,000 <sup>8</sup>	\$185,000 <sup>7</sup> \$935,000 <sup>8</sup>	\$195,000 <sup>7</sup> \$985,000 <sup>8</sup>
SS Taxable Wage Base	\$90,000	\$94,200	\$97,500	\$102,000	\$106,800
Contribution Limit for SIMPLE IRC § 408(p)(2)(E)	\$10,000 <sup>9</sup>	\$10,000 <sup>9</sup>	\$10,500 <sup>9</sup>	\$10,500 <sup>9</sup>	\$11,500 <sup>9</sup>
Catch-Up Limits for SIMPLE 401(k) Plan (age 50+)	\$2,000 <sup>10</sup>	\$2,500 <sup>10</sup>	\$2,500 <sup>10</sup>	\$2,500 <sup>10</sup>	\$2,500 <sup>10</sup>
Key Employee Officer Comp. IRC § 416(i)(1)(A)(i)	\$135,000 <sup>11</sup>	\$140,000 <sup>11</sup>	\$145,000 <sup>11</sup>	\$150,000 <sup>11</sup>	\$160,000 <sup>11</sup>

**Legend:**

- <sup>1</sup> EGTRRA provides the lesser of \$160,000, with Cost of Living Adjustment (COLA) increase, if any, in \$5,000 increments after 2002 or 100% of the employee's average compensation for his high 3 years.
- <sup>2</sup> EGTRRA provides the lesser of \$40,000 with COLA increase, if any, in \$1,000 increments after 2002 or 100% of employee compensation. NOTE: 1. The 100% is reduced to 25% for SEPs by the contribution limitations of IRC §402(h)(2)(A), and 2. SIMPLEs are not subject to IRC §415.
- <sup>3</sup> Increasing by \$1,000 each year in 2004-6; thereafter, COLA increase, if any, in \$500 increments.
- <sup>4</sup> Increasing by \$1,000 each year in 2004-6; thereafter, COLA increase, if any, in \$500 increments.
- <sup>5</sup> COLA increase, if any, in \$5,000 increments after 2002.
- <sup>6</sup> \$105,000 is 2008 Comp for HCE's in 2009, \$110,000 is 2009 Comp for HCE's in 2010
- <sup>7</sup> Amount used to determine the lengthening of the 5-year distribution period.
- <sup>8</sup> Amount used for determining the maximum account balance in an ESOP subject to a 5-year distribution period.
- <sup>9</sup> Increasing by \$1,000 each year in 2004-5; thereafter, COLA increase, if any, in \$500 increments.
- <sup>10</sup> Increasing by \$500 each year in 2004-6; thereafter, COLA increase, if any, in \$500 increments.
- <sup>11</sup> Compensation for plan year ending on the determination date (last day of the prior plan year).