

2023 BENEFIT LIMITS ANNOUNCED

Hodgson Russ Employee Benefits Alert
November 23, 2022

The Internal Revenue Service has announced the cost of living adjusted dollar limits applicable to benefit plans for 2023 (see IRS Notice 2022-55, Rev. Proc. 2022-38, and Rev. Proc. 2022-24). The key limits are listed below:

| Retirement Benefits | 2022 Limit | 2023 Limit |
|--|-------------------|-------------------|
| 401(k)/403(b)/457 Plan Maximum Elective Deferral | \$20,500 | \$22,500 |
| 401(k)/403(b)/457 Catch-Up | \$6,500 | \$7,500 |
| Defined Contribution Maximum Annual Addition | \$61,000 | \$66,000 |
| Defined Benefit Maximum Annual Pension | \$245,000 | \$265,000 |
| Qualified Plan Maximum Compensation Limit | \$305,000 | \$330,000 |
| Highly Compensated Employee | \$135,000 | \$150,000 |
| IRA Contribution Limit | \$6,000 | \$6,500 |
| IRA Catch-Up Contributions | \$1,000 | \$1,000 |
| Health Plan Benefits | 2022 Limit | 2023 Limit |
| Health FSA Contribution Limit | \$2,850 | \$3,050 |
| HSA Contribution Limit (Individual) | \$3,650 | \$3,850 |
| HSA Contribution Limit (Family) | \$7,300 | \$7,750 |
| HSA Catch-Up | \$1,000 | \$1,000 |

In addition, the Social Security taxable wage base will increase from \$147,000 for 2022 to \$160,200 for 2023.

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