

IRS and Social Security Announce 2008 Dollar Limitations

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The cost-of-living adjustments for 2008, as announced by the Internal Revenue Service and (in one case) by the Social Security Administration, compared with the 2007 limits, are as follows:

	2008	2007
401(k) and 403(b) Deferral Limit	\$15,500	\$15,500
457 Deferral Limit	\$15,500	\$15,500
SIMPLE Plan Deferral Limit	\$10,500	\$10,500
Catch-up Contribution Limit (Non-SIMPLE)	\$5,000	\$5,000
Catch-up Contribution Limit (SIMPLE)	\$2,500	\$2,500
Defined Benefit Plan Annual Benefit Limit	\$185,000	\$180,000
Defined Contribution Plan Annual Contribution Limit (Excludes Catch-up Contributions)	\$46,000	\$45,000
Annual Compensation Limit	\$230,000	\$225,000
Highly Compensated Employee	\$105,000	\$100,000
SEP Coverage Amount	\$500	\$500
SEP Compensation Amount	\$230,000	\$225,000
ESOP Maximum Balance for 5-Year Payout Period	\$935,000	\$915,000
Minimum Amount Over Minimum Balance for Lengthening of 5-Year ESOP Payout Period	\$185,000	\$180,000
Social Security Taxable Wage Base	\$102,000	\$97,500

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