



COLA Increases for Dollar Limitations on Benefits and Contributions

[IR-2009-94, Oct. 15, 2009](#) - The Internal Revenue Service announced cost-of-living adjustments applicable to dollar limitations for pension plans and other items for tax year 2010.

Section 415 of the Internal Revenue Code provides for dollar limitations on benefits and contributions under qualified retirement plans. In addition, section 415 requires the Commissioner to annually adjust these limits for cost-of-living increases. Other limitations applicable to deferred compensation plans are also affected by these adjustments. The Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA) reset many of the statutory dollar amounts previously adjusted on an annual basis under section 415 of the Internal Revenue Code. Additionally, other new limitation amounts were added by EGTRRA. Please see our [COLA Increases Table](#) for pre-2003 dollar limitations.

We have also produced a [white paper](#) that discusses the methodology that the Service uses to determine the limitations. This white paper includes the unrounded limitations.

Code Section	2010	2009	2008	2007	2006	2005	2004	2003
401(a)(17)/ 404(l) Annual Compensation	245,000	245,000	230,000	225,000	220,000	210,000	205,000	200,000
402(g)(1) Elective Deferrals	16,500	16,500	15,500	15,500	15,000	14,000	13,000	12,000
408(k)(2)(C) SEP Minimum Compensation	550	550	500	500	450	450	450	450
408(k)(3)(C) SEP Maximum Compensation	245,000	245,000	230,000	225,000	220,000	210,000	205,000	200,000
408(p)(2)(E) SIMPLE Maximum Contributions	11,500	11,500	10,500	10,500	10,000	10,000	9,000	8,000
409(o)(1)(C) ESOP Limits	985,000	985,000	935,000	915,000	885,000	850,000	830,000	810,000
	195,000	195,000	185,000	180,000	175,000	170,000	165,000	160,000
414(q)(1)(B) HCE Threshold	110,000	110,000	105,000	100,000	100,000	95,000	90,000	90,000
414(v)(2)(B)(i) Catch-up Contributions	5,500	5,500	5,000	5,000	5,000	4,000	3,000	2,000
414(v)(2)(B)(ii) Catch-up Contributions	2,500	2,500	2,500	2,500	2,500	2,000	1,500	1,000
415(b)(1)(A) DB Limits	195,000	195,000	185,000	180,000	175,000	170,000	165,000	160,000
415(c)(1)(A) DC Limits	49,000	49,000	46,000	45,000	44,000	42,000	41,000	40,000
416(i)(1)(A)(i) Key EE	160,000	160,000	150,000	145,000	140,000	135,000	130,000	130,000
457(e)(15) Deferral Limits	16,500	16,500	15,500	15,500	15,000	14,000	13,000	12,000
1.61-21(f)(5)(i) Control EE	95,000	95,000	90,000	90,000	85,000	85,000	80,000	80,000

1.61-21(f)(5)(iii) Control EE	195,000	195,000	185,000	180,000	175,000	170,000	165,000	160,000
219(b)(5)(A) IRA Contribution Limit	5,000	5,000	5,000	4,000	4,000	4,000	3,000	3,000
219(b)(5)(B) IRA Catch-Up Contributions	1,000	1,000	1,000	1,000	1,000	500	500	500
TWB	106,800	106,800	102,000	97,500	94,200	90,000	87,900	87,000

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