

The IRS recently announced retirement plan limitations effective for 2015. Some did not change because inflation was not significant. The highlights are as follows:

General Plan Limits

Annual Limit per Individual	2014	2015
Elective deferrals to 401(k), 403(b), and SEP plans:	\$17,500	\$18,000
Catch-up contributions for employees turning age 50 or older:	\$5,500	\$6,000
Contributions to a defined contribution plan, the lesser of 100% of compensation or:	\$52,000	\$53,000
Benefits under a defined benefit plan:	\$210,000	\$210,000
Total compensation that can be taken into account to calculate contributions or benefits:	\$260,000	\$265,000
Threshold for classification as highly compensated employee:	\$115,000	\$120,000
Threshold for classification as a key employee in a top heavy plan:	\$170,000	\$170,000
Deferral limit under eligible 457(b) plans of tax-exempt organizations and state and local governments:	\$17,500	\$18,000
Elective deferrals to a SIMPLE retirement account:	\$12,000	\$12,500

We hope you will find the above information useful in conducting your business and personal affairs. If you wish any further information or guidance, please feel free to call us.

John B. Brescher, Jr.
973.639.2012
jbrescher@mccarter.com

Kevin A. Brown
973.639.8477
kbrown@mccarter.com

Mark A. Daniele
973.639.2090
mdaniele@mccarter.com

Joel E. Horowitz
215.979.3830
jhorowitz@mccarter.com

Jane S. Kimball
973.639.7929
jkimball@mccarter.com

Circular 230 Disclosure: To ensure compliance with Treasury Department regulations, we inform you that any tax advice contained in this message including any attachments is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code or applicable state or local tax law provisions or (ii) promoting, marketing or recommending to another party any tax-related matters addressed herein.