

IRS Announces 2012 Retirement Plan and Inflation-Adjusted Benefits

The Internal Revenue Service has announced cost-of-living adjustments applicable to dollar limitation for retirement plans and inflation adjusted limits for other benefits for 2012.

	2011 Limits	2012 Limits
401(k)/403(b) Contributions*	\$16,500	\$17,000
457(b) Limit	\$16,500	\$17,000
Retirement Plan Catch-up Contributions (age 50 or older)	\$5,500	\$5,500
Compensation Limit**	\$245,000	\$250,000
Highly Compensated Employees**	\$110,000	\$115,000
Key Employee Officer Compensation**	\$160,000	\$165,000
Maximum Annual Benefit		
Defined Benefit Plan**	\$195,000	\$200,000
Maximum Annual Contribution		
Defined Contribution Plan**	\$49,000	\$50,000
ESOP Limits		
Dollar limit for determining lengthening of 5-year period*	\$195,000	\$200,000
Dollar amount for determining max. amount subject to 5-year distribution*	\$985,000	\$1,015,000
Maximum SIMPLE contribution	\$11,500	\$11,500
SIMPLE Catch-up Contribution (age 50 or older)	\$2,500	\$2,500
Maximum IRA Contribution	\$5,000	\$5,000
IRA Catch-up Contribution (age 50 and older)	\$1,000	\$1,000
AGI Phase-Out Range for Deductible Traditional IRA Contributions		
Single taxpayer with an employer-sponsored retirement plan	\$56,000 - \$66,000	\$58,000 - \$68,000
Head of Household taxpayer with an employer-sponsored retirement plan	\$56,000 - \$66,000	\$58,000 - \$68,000
Married taxpayer with an employer-sponsored retirement plan	\$90,000 - \$110,000	\$92,000 - \$112,000
Married taxpayer without an employer-sponsored retirement plan	\$169,000 - \$179,000	\$173,000 - \$183,000
AGI Phase-Out Range for Roth IRA Contributions		
Single taxpayer	\$107,000 - \$122,000	\$110,000 - \$125,000
Head of Household taxpayer	\$107,000 - \$122,000	\$110,000 - \$125,000
Married taxpayers	\$169,000 - \$179,000	\$173,000 - \$183,000
Married Filing Separately taxpayer with an employer-sponsored retirement plan	\$0 - \$10,000	\$0 - \$10,000
FICA Wage Base ***	\$106,800	\$110,100
Qualified Transportation Fringe Benefits – Code § 132		
Monthly limit for transportation in a commuter highway vehicle or transit pass	\$230	\$125
Monthly limit for qualified parking	\$230	\$240
Monthly limit for bicycle commuters	\$20	\$20
Adoption Assistance Programs		
Maximum excludable from employee gross income	\$13,360	\$12,650
Exclusion phased out with modified gross income (starting at–ending at)	\$185,210 – \$225,210	\$189,710 - \$229,710
Health Savings Accounts		
High deductible health plan (HDHP) – minimum annual deductible		
Individual coverage	\$1,200	\$1,200
Family coverage	\$2,400	\$2,400
HDHP – maximum out-of-pocket limit		
Individual coverage	\$5,950	\$6,050
Family coverage	\$11,900	\$12,100
HSA monthly contribution – 1/12 lesser of annual deductible or statutory limit		
Self-only coverage limit	\$3,050	\$3,100
Family coverage limit	\$6,150	\$6,250
HSA Catch-up contributions (age 55 or older)	\$1,000	\$1,000

* Calendar year limitation

** For plan years beginning in the calendar year.

*** Calendar year limitation for FICA withholding purposes and plan years beginning in the calendar year for retirement plan purposes.

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