

2020 BENEFIT PLAN LIMITS AND THRESHOLDS

2020 Benefit Plan Limits and Thresholds Chart

Defined Contribution Plans	2020	2019	Change
Maximum employee elective deferral	\$19,500	\$19,000	+\$500
Employee catch-up contribution (if age 50 or older by year-end)	\$6,500	\$6,000	+\$500
Defined contribution maximum limit, all sources (employee + employer)	\$57,000	\$56,000	+\$1,000
Defined contribution maximum limit (if age 50 or older by year end); maximum contribution all sources plus catch-up	\$63,500	\$62,000	+\$1,500
Employee compensation limit for calculating contributions	\$285,000	\$280,000	+\$5,000
Key employees' compensation threshold for nondiscrimination testing	\$185,000	\$180,000	+5,000
Highly compensated employees' threshold for nondiscrimination testing	\$130,000	\$125,000	+5,000

Source: IRS Notice 2019-59.

Health Savings Accounts (HSAs) and High-Deductible Health Plans (HDHPs)

	2020	2019	Change
HSA contribution limit (employer + employee)	Self-only: \$3,550 Family: \$7,100	Self-only: \$3,500 Family: \$7,000	Self-only: +\$50 Family: +\$100
HSA catch-up contributions (age 55 or older)	\$1,000	\$1,000	No change
HDHP minimum deductibles	Self-only: \$1,400 Family: \$2,800	Self-only: 1,350 Family: \$2,700	Self-only: +\$50 Family: +\$100
HDHP maximum out-of-pocket amounts (deductibles, co-payments and other amounts, but not premiums)	Self-only: \$6,900 Family: \$13,800	Self-only: \$6,750 Family: \$13,500	Self-only: +150 Family: +\$300

Source: IRS Notice 2019-25.

Health Care Flexible Spending Accounts (Health FSAs) and Limited-Scope (Vision/Dental) FSAs

	2020	2019	Change
Maximum salary deferral contribution	\$2,750	\$2,700	+\$50

Source: IRS Notice 2019-44.

Earnings Subject to Social Security Payroll Tax

Social Security (FICA) Payroll Tax	2020	2019	Change
Maximum earnings subject to Social Security 12.4% FICA payroll tax (6.2% paid by employer and 6.2% paid by employee)	\$137,700	\$132,900	+\$4,800

Source: Social Security Administration.