

2009 QUALIFIED PLAN LIMITS

	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Elective Deferrals (401k & 403b plans)	\$16,500	\$15,500	\$15,500	\$15,000	\$14,000	\$13,000	\$12,000	\$11,000	\$10,500	\$10,500
Catch-Up Contributions	\$5,500	\$5,000	\$5,000	\$5,000	\$4,000	\$3,000	\$2,000	\$1,000	n/a	n/a
Annual Contribution Limit	\$49,000	\$46,000	\$45,000	\$44,000	\$42,000	\$41,000	\$40,000	\$40,000	\$35,000	\$30,000
Annual Compensation Limit	\$245,000	\$230,000	\$225,000	\$220,000	\$210,000	\$205,000	\$200,000	\$200,000	\$170,000	\$170,000
Highly Compensated Threshold	\$110,000	\$105,000	\$100,000	\$100,000	\$95,000	\$90,000	\$90,000	\$90,000	\$85,000	\$85,000
SIMPLE Contribution Limit	\$11,500	\$10,500	\$10,500	\$10,000	\$10,000	\$9,000	\$8,000	\$7,000	\$6,500	\$6,000
Income Subject to Social Security	\$106,800	\$102,000	\$97,500	\$94,200	\$90,000	\$87,900	\$87,000	\$84,900	\$80,400	\$76,200
Top-Heavy Plan Key Employee Comp	\$160,000	\$150,000	\$145,000	\$140,000	\$135,000	\$130,000	\$130,000	\$130,000	n/a	n/a

- The **Elective Deferral Limit** is the maximum contribution that can be made on a pre-tax basis to a 401(k) or 403(b) plan (Internal Revenue Code section 402(g)(1)).
- **Catch up Contributions, SIMPLE "Catch up" deferral:** Under the Economic Growth and Tax Relief Act of 2001 (EGTRRA), certain individuals aged 50 or over can now make 'catch up' contributions, in addition to the above limits.
- The **Annual Contribution Limit** is the maximum annual contribution amount that can be made to a participant's account (IRC section 415). This limit is actually expressed as the lesser of the dollar limit **or** 100% of the participant's compensation, applied to the combination of employee contributions, employer contributions and forfeitures allocated to a participant's account.
- In calculating contribution allocations, a plan cannot consider any employee compensation in excess of the **Annual Compensation Limit** (401(a)(17)). This limit is also imposed in determining the Annual Benefit Limit (above). In calculating certain nondiscrimination tests (such as the Actual Deferral Percentage), all participant compensation is limited to this amount, for purposes of the calculation.
- The **Highly Compensated Threshold** (section 414(q)(1)(B)) is the minimum compensation level established to determine highly compensated employees for purposes of nondiscrimination testing.