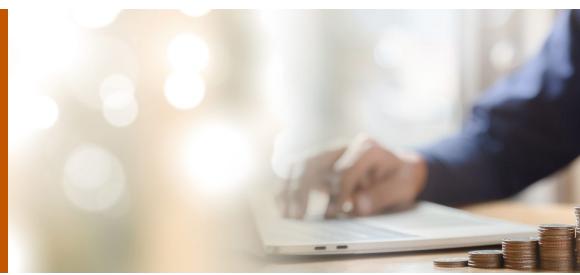


Alert: Important Updates on 2026 IRS Retirement Plan Limits

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Johnson O'Connor Alert

Important Updates on 2026 IRS Retirement Plan Limits

As we look ahead to 2026, we want to keep you informed about important changes that may impact your retirement planning.

The IRS has recently announced the retirement contribution limits for 2026, reflecting the annual cost-of-living adjustments. This year, there are increases that can enhance your savings potential.

Key Changes for 2026:

- **401(k) Contribution Limit:** The limit for employee contributions to 401(k) plans will increase to \$24,500. The age 50+ catch-up limit will increase to \$8,000.
- **Catch-Up Contributions, ages 60- 63:** The available catch-up contribution for those aged 60 – 63 in 2026 is \$11,250 for the year. This is \$3,250 higher than the standard \$8,000 catch-up contribution available to ages 50+. Example:
 - Jacob, age 58, can defer up to \$32,500 in 2026.
 - Christi, age 62, can defer up to \$35,750 in 2026.
- **IRA Contribution Limit:** The contribution limit for Traditional and Roth IRAs will increase to a limit of \$7,500.

These adjustments provide a valuable opportunity to maximize your retirement savings and ensure a more secure financial future for you and your employees.

Contribution and Benefit Limits	2026	2025	Increase
401(k), Roth 401(k), and 403(b)	\$24,500	\$23,500	\$1,000
401(k), Roth 401(k), and 403(b) Catch-up Contributions	\$8,000	\$7,500	\$500
401(k), Roth 401(k), and 403(b) Catch-up for those age 60-63	\$11,250	\$11,250	\$0
3% Safe Harbor Non-Elective Contrib. Maximum	\$10,800	\$10,500	\$300
4% Safe Harbor Match Contrib. Maximum	\$14,400	\$14,000	\$400
Annual Contribution Limit	\$72,000	\$70,000	\$2,000
Annual Contribution Limit, incl. Catch-up Contribs.	\$80,000	\$77,500	\$2,500
Annual Contribution Limit, incl. Catch-up Contribs. age 60-63	\$83,250	\$81,250	\$2,000
SIMPLE IRA Elective Deferrals	\$17,000	\$16,500	\$500
SIMPLE IRA Catch-up Contributions	\$4,000	\$3,500	\$500
SIMPLE IRA Catch-up for those age 60-63	\$5,250	\$5,250	\$0
Traditional IRA and Roth IRA Contributions	\$7,500	\$7,000	\$500
IRA Catch-up Contributions	\$1,100	\$1,000	\$100
Maximum Plan Compensation	\$360,000	\$350,000	\$10,000
Social Security Wage Base	\$184,500	\$176,100	\$7,500

If you have any questions or would like to discuss your retirement strategy, please don't hesitate to reach out. Our team is here to assist you in navigating these changes.

Thank you for your continued trust in Johnson O'Connor. Stay tuned for more updates throughout the year.

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