

2021 BENEFIT PLAN LIMITS & THRESHOLDS CHART

2021 Benefit Plan Limits & Thresholds Chart

Defined Contribution Plans	2021	2020	Change
Maximum employee elective deferral	\$19,500	\$19,500	no change
Employee catch-up contribution (if age 50 or older by year-end)	\$6,500	\$6,500	no change
Defined contribution maximum limit, all sources (employee + employer)	\$58,000	\$57,000	+\$1,000
Defined contribution maximum limit (if age 50 or older by year end); maximum contribution all sources plus catch-up	\$64,500	\$63,500	+\$1,000
Employee compensation limit for calculating contributions	\$290,000	\$285,000	+\$5,000
Key employees' compensation threshold for nondiscrimination testing	\$185,000	\$185,000	no change
Highly compensated employees' threshold for nondiscrimination testing	\$130,000	\$130,000	no change

Source: IRS Notice 2020-79.

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

	2021	2020	Change
HSA contribution limit (employer + employee)	Self-only: \$3,600 Family: \$7,200	Self-only: \$3,550 Family: \$7,100	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: 1,400 Family: \$2,800	no change no change
HDHP maximum out-of-pocket amounts (deductibles, co-payments and other amounts, but not premiums)	Self-only: \$7,000 Family: \$14,000	Self-only: \$6,900 Family: \$13,800	Self-only: +100 Family: +\$200

Source: IRS Notice 2020-32.

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

	2021	2020	Change
Maximum salary deferral contribution	\$2,750	\$2,750	no change

Source: IRS Notice 2020-45.

Earnings Subject to Social Security Payroll Tax

Social Security (FICA) Payroll Tax	2021	2020	Change
Maximum earnings subject to Social Security 12.4% FICA payroll tax (6.2% paid by employer and 6.2% paid by employee)	\$142,800	\$137,700	+\$5,100

Source: Social Security Administration.