

## Employee Benefits & Executive Compensation



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### IRS Announces Year 2023 Retirement Plan Limits

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The Internal Revenue Service (“IRS”) announced today (October 21, 2022) the following dollar limits applicable to tax-qualified plans for 2023:

- The limit on the maximum amount of elective contributions that a person may make to a §401(k) plan, a §403(b) tax-sheltered annuity, or a §457(b) eligible deferred compensation plan increased from \$20,500 to \$22,500.
- The limit on “catch-up contributions” to a §401(k) plan, a §403(b) tax-sheltered annuity, or a §457(b) eligible deferred compensation plan for persons age 50 and older is upped from \$6,500 to \$7,500.
- The dollar limit on the maximum permissible allocation under a defined contribution plan is increased from \$61,000 to \$66,000.
- The maximum annual benefit under a defined benefit plan is increased from \$245,000 to \$265,000.
- The maximum amount of annual compensation that may be taken into account on behalf of any participant under a qualified plan will go from \$305,000 to \$330,000.
- The dollar amount used to identify “highly compensated employees” is increased from \$135,000 to \$150,000.

Additional information regarding benefit plan dollar limits can be obtained in [IRS Notice 2022-55](#).

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For more information or assistance, contact [Dan Morgan](#) or another member of Blank Rome’s [Employee Benefits & Executive Compensation](#) group.

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