

2021 IRS Contribution Limits

The IRS has announced the 2021 contribution limits for retirement and health savings accounts. This includes contribution limits for 401(k) and 403(b) plans, as well as income limits for IRA contribution deductibility. Additionally, the salary threshold to classify “key” and “highly compensated employees” has been announced.



[Review our quick guide of the updated limits below](#)

401(k) and 403(b) individual contribution limits (IRS 402(g) Limit)

Age 49 and under	\$19,500
Age 50 and older	\$26,000

The IRS has also set limits for the total amount that may be contributed to your retirement savings 401(k) account from all sources combined (IRS section 415 limit). This includes any employer matching or profit-sharing contributions, and any employee after-tax contributions. For 2021, the maximum is \$58,000.

Every plan is different, so it’s important to refer to your Plan Document for any compensation or other applicable limits.

Highly Compensated and Key Employee definitions and limits

Key Employee Officer Compensation	\$185,000
Highly Compensated Employee	\$130,000
Annual compensation limit	\$290,000

Roth and Traditional IRA contribution limits

Age 49 and under	Up to \$6,000 (must have earned income)
Age 50 and older	\$7,000

Traditional IRA modified adjusted gross income limit for partial deductibility

Single	\$66,000 - \$76,000
Married - Filing joint returns	\$105,000 - \$125,000
Married - Filing separately	\$0 - \$10,000
Non-active participant spouse	\$198,000 - \$208,000

Roth IRA modified adjusted gross income phase-out ranges

Single	\$125,000 - \$140,000
Married - Filing joint returns	\$198,000 - \$208,000
Married - Filing separately	\$0-10,000

Simple IRA contribution limits

Age 49 and under	\$13,500
Age 50 and older	\$16,500

Health Savings Accounts (HSA) contribution limits

Individual (employer + employee)	\$3,600
Family (employer + employee)	\$7,200
Age 55 or older **	Additional \$1,000

** Catch-up contributions can be made any time during the year in which the HSA participant turns 55.