

EBP EDUCATOR



SPECIAL EDITION

2017 COST-OF-LIVING ADJUSTMENTS FOR QUALIFIED RETIREMENT PLANS

The Internal Revenue Service has announced the cost-of-living adjustment (COLA) for 2017. The dollar limitations for pension plans and selected other items are listed below. Certain annual compensation amounts were increased although the limits for elective and catch-up deferrals remain unchanged since 2015. The Social Security Administration separately announced an increase to the taxable wage base.

Code Section	2017	2016	2015	2014	2013
401(a)(17)/404(l) Annual Compensation	\$270,000	\$265,000	\$265,000	\$260,000	\$255,000
402(g)(1) Elective Deferrals	18,000	18,000	18,000	17,500	17,500
408(k)(2)(C) SEP Minimum Compensation	600	600	600	550	550
408(k)(3)(C) SEP Maximum Compensation	270,000	265,000	265,000	260,000	255,000
408(p)(2)(E) SIMPLE Maximum Contributions	12,500	12,500	12,500	12,000	12,000
409(o)(1)(C) ESOP Limits	1,080,000 215,000	1,070,000 210,000	1,070,000 210,000	1,050,000 210,000	1,035,000 205,000
414(q)(1)(B) HCE Threshold	120,000	120,000	120,000	115,000	115,000
414(v)(2)(B)(i) Catch-up Contributions	6,000	6,000	6,000	5,500	5,500
414(v)(2)(B)(ii) Catch-up Contributions	3,000	3,000	3,000	2,500	2,500
415(b)(1)(A) DB Limits	215,000	210,000	210,000	210,000	205,000
415(c)(1)(A) DC Limits	54,000	53,000	53,000	52,000	51,000
416(i)(1)(A)(i) Key Employee	175,000	170,000	170,000	170,000	165,000
457(e)(15) Deferral Limits	18,000	18,000	18,000	17,500	17,500
1.61-21(f)(5)(i) Control Employee	105,000	105,000	105,000	105,000	100,000
1.61-21(f)(5)(iii) Control Employee	215,000	215,000	215,000	210,000	205,000
219(b)(5)(A) IRA Contribution Limit	5,500	5,500	5,500	5,500	5,500
219(b)(5)(B) IRA Catch-Up Contributions	1,000	1,000	1,000	1,000	1,000
Taxable Wage Base for Social Security	127,200	118,500	118,500	117,000	113,700

BMSS EBPA PRACTICE GROUP

It's been said in the business world that your people are your greatest asset. At Barfield, Murphy, Shank & Smith, we couldn't agree more. In addition to meeting your federal reporting obligations and avoiding non-compliance penalties, an employee benefit plan (EBP) audit helps provide you and your employees with the peace of mind that the funds will be available, and your plan future is secure.

At BMSS, we believe that the audit process is an opportunity, not a burden. We try to bring fresh ideas and enhanced efficiencies. Our professionals receive specific annual training in employee benefit plan audits and will help you understand your plan, determine the most streamlined audit process tailored to your plan and offer recommendations for improvement.

Contact our BMSS EBP Professionals if you have any questions regarding this alert or EBP audits in general.

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