



IRS Releases Cost-of-Living Adjusted Limits for 2019

November 1, 2018

The Internal Revenue Service and Social Security Administration announced cost of living adjustments applicable to dollar limitations for qualified retirement plans, and other limits for tax year 2019. Some limits provided below remain unchanged from 2018. The Social Security Wage base increased from \$128,700 to \$132,900.

The important limits are provided below:

Limits:

401(k), 403(b) & 457(b) deferrals	\$19,000
Catch-up 401(k), 403(b) & 457(b)	\$6,000
415(c) Limit	\$56,000
Annual Compensation Limit	\$280,000
HCE Compensation Limit	\$125,000
Maximum Pension at age 62	\$225,000
SIMPLE Deferrals	\$13,000
SIMPLE Catch-up	\$3,000
SEP Minimum Compensation	\$600
Key Employee Limit, Officer Test	\$180,000
IRAs for individuals age 49 & below	\$6,000
IRAs for individuals age 50 & above	\$7,000
Soc. Sec. Taxable Wage Base	\$132,900

2019 limits reflect issuance of IRS Notice 2018-83 (November 1, 2018) and Social Security Administration Face Sheet (October 2018).

The IRS Notice 2018-83 can be viewed at:

<https://www.irs.gov/pub/irs-drop/n-18-83.pdf>



IRS Releases More Benefit Limits for 2019

November 15, 2018

Today, the Internal Revenue Service announced in Revenue Procedure 2018-57 the annual inflation adjustments for more than 40 tax provisions for 2019, including the tax rate schedules, and other tax changes. This Revenue Procedure provides details about these annual adjustments:

There are several benefit limitations for 2019 included:

* The annual dollar limit on employee contributions to employer-sponsored healthcare flexible spending arrangements (FSA) increases to \$2,700.

*The amount for the adoption credit or the amount excluded for adoption assistance allowed for an adoption of a child with special needs is increased to \$14,080.

*The dollar amount for employee health Insurance expense of small employers is \$27,100. This used for the tax credit.

*The monthly limitation for qualified transportation fringe benefit regarding the aggregate fringe benefit exclusion amount for transportation in a commuter highway vehicle and any transit pass is \$265. The monthly limit for qualified parking is also \$265.

*The limitations regarding eligible long-term care premiums includible in the term "medical care," are increased as follows:

Attained Age Before the Close of the Taxable Year Limitation on Premiums

40 or less	\$420
More than 40 but not more than 50	\$790
More than 50 but not more than 60	\$1,580
More than 60 but not more than 70	\$4,220
More than 70	\$5,270

*The deductible and out-of-pocket limits for "high deductible health plans" for Medical Savings Accounts are as follows:

For self-only coverage, a health plan that has an annual deductible that is not less than \$2,350 and not more than \$3,500, and under which the annual out-of-pocket

expenses required to be paid (other than for premiums) for covered benefits do not exceed \$4,650.

For family coverage, a health plan that has an annual deductible that is not less than \$4,650 and not more than \$7,000, and under which the annual out-of-pocket expenses required to be paid (other than for premiums) for covered benefits do not exceed \$8,550

***The dollar total amount of payments and reimbursements for any year under a Qualified Small Employer Health Reimbursement Arrangement (QSEHRA) can not exceed \$5,150 (\$10,450 for family coverage).**

For a copy of Revenue Ruling 2018-57 please click on the link below:

<https://www.irs.gov/pub/irs-drop/rp-18-57.pdf>