

Law & Policy Group

2024 quick benefit facts

Retirement plan limits

	2024	2023	2022
Qualified retirement plan limits			
401(k), 403(b) and eligible 457(e) elective deferrals	\$23,000	\$22,500	\$20,500
Catch-up contributions (age ≥ 50)	\$7,500	\$7,500	\$6,500
Compensation limit	\$345,000	\$330,000	\$305,000
415 defined contribution annual limit	\$69,000	\$66,000	\$61,000
415 defined benefit maximum annuity	\$275,000	\$265,000	\$245,000
Highly compensated threshold	\$155,000	\$150,000	\$135,000
Traditional IRA limits			
IRA maximum deductible amount	\$7,000	\$6,500	\$6,000
IRA catch-up contributions (age ≥ 50)	\$1,000	\$1,000	\$1,000
PBGC premiums for single-employer plans			
Flat rate per participant	\$101	\$96	\$88
Variable rate per \$1,000 of unfunded vested benefits	\$52	\$52	\$48
Per-participant variable-rate cap	\$686	\$652	\$598
Social Security			
Taxable wage base	\$168,600	\$160,200	\$147,000
Cost-of-living adjustment	3.2%	8.7%	5.9%

Retirement plan limits

After applying statutory rounding rules, most qualified plan retirement limits will increase in 2024. Only the catch-up contribution limit will stay the same.

IRA limits

The 2024 IRA maximum deductible contribution limit will increase by \$500. Indexing on the IRA catch-up contribution limit begins in 2024, but the 2024 limit will remain \$1,000 due to the Internal Revenue Code's rounding rules.

PBGC premiums

The 2024 single-employer flat-rate premium and per-participant variable-rate premium cap equal the 2023 amounts adjusted for one year's wage inflation. The variable-rate premium is not subject to indexing after 2023.

Health and fringe benefit limits

	2024	2023	2022
Tax-free qualified transportation fringe benefits			
Monthly qualified parking, transit passes or commuter highway vehicle	\$315	\$300	\$280
Health flexible spending arrangement (FSA) and excepted-benefit health reimbursement arrangement (HRA) limits			
Health FSA salary reduction contribution	\$3,200	\$3,050	\$2,850
Health FSA carryover	\$640	\$610	\$570
Excepted-benefit HRA employer contribution	\$2,100	\$1,950	\$1,800
Health savings account (HSA) and high-deductible health plan (HDHP) limits			
Self-only coverage			
Tax-deductible/tax-free HSA contribution	\$4,150	\$3,850	\$3,650
HDHP minimum annual deductible	\$1,600	\$1,500	\$1,400
HDHP out-of-pocket maximum	\$8,050	\$7,500	\$7,050
Family coverage			
Tax-deductible/tax-free HSA contribution	\$8,300	\$7,750	\$7,300
HDHP minimum annual deductible	\$3,200	\$3,000	\$2,800
HDHP out-of-pocket maximum	\$16,100	\$15,000	\$14,100
HSA catch-up contributions (age ≥ 55)[†]	\$1,000	\$1,000	\$1,000
ACA nongrandfathered group health plan out-of-pocket maximums			
Self-only coverage (and embedded individual maximum in family coverage)	\$9,450	\$9,100	\$8,700
Family coverage	\$18,900	\$18,200	\$17,400
ACA play-or-pay assessments			
Not offering coverage	\$2,970	\$2,880	\$2,750
Offering coverage lacking minimum value or affordability	\$4,460	\$4,320	\$4,120
ACA monthly employee contribution limit for play-or-pay FPL affordability safe harbor (48 contiguous states and Washington, DC)			
Calendar-year plans	\$101.94	\$103.28	\$103.15
Noncalendar-year plans	\$101.94*	\$110.81	\$108.83
ACA affordability percentages for employer coverage			
Top % of income for lowest-cost self-only coverage with minimum value	8.39%	9.12%	9.61%

ACA play-or-pay assessments

Employers that don't offer minimum essential health coverage to most ACA full-time employees face paying one of two ACA monthly assessments. The table shows annual amounts.

ACA monthly employee contribution limit for play-or-pay federal-poverty-line (FPL) affordability safe harbor

Adjusted amounts for the ACA's play-or-pay FPL safe harbor apply on a plan-year, not calendar-year, basis. Noncalendar-year plans use the 2023 level of \$110.81 per month to determine FPL affordability until their 2024 plan years start.

ACA affordability percentages for employer coverage

To receive subsidized public exchange coverage, an individual's cost for the employer's lowest-cost, self-only coverage with minimum value can't exceed an indexed percentage of household income. The three affordability safe harbors (W-2, rate of pay or FPL) have the same indexing formula.

[†] The HSA catch-up contribution limit is not adjusted annually.

* Assuming the 2024 FPLs are announced in January (as typically occurs), noncalendar-year plans that start in February–July 2024 may use either the 2023 FPL-based safe-harbor amount or a likely higher dollar amount based on the 2024 FPL. However, waiting until the 2024 FPL is announced may be impracticable for some plans.