

## Law &amp; Policy Group

# 2022 quick benefit facts

## Retirement plan limits

	2022	2021	2020
<b>Qualified retirement plan limits</b>			
401(k), 403(b) and eligible 457(e) elective deferrals	\$20,500	\$19,500	\$19,500
Catch-up contributions	\$6,500	\$6,500	\$6,500
Compensation limit	\$305,000	\$290,000	\$285,000
415 defined contribution annual limit	\$61,000	\$58,000	\$57,000
415 defined benefit maximum annuity	\$245,000	\$230,000	\$230,000
Highly compensated threshold	\$135,000	\$130,000	\$130,000
<b>Traditional IRA limits</b>			
IRA maximum deductible amount	\$6,000	\$6,000	\$6,000
IRA catch-up contribution limit	\$1,000	\$1,000	\$1,000
<b>PBGC premiums for single-employer plans</b>			
Flat rate per participant	\$88	\$86	\$83
Variable rate per \$1,000 of unfunded vested benefits	\$48	\$46	\$45
Per-participant variable-rate cap	\$598	\$582	\$561
<b>Social Security</b>			
Taxable wage base	\$147,000	\$142,800	\$137,700
Cost-of-living adjustment	5.9%	1.3%	1.6%

### Retirement plan limits

After applying statutory rounding rules, almost all qualified plan retirement limits will increase significantly in 2022. Only the catch-up contribution limit will stay the same.

### IRA limits

After statutory rounding, the 2022 IRA maximum deductible contribution limit will stay at the 2021 level. The IRA catch-up contribution limit is not adjusted annually.

### PBGC premiums

The 2022 single-employer flat-rate premium, variable-rate premium and per-participant variable-rate premium cap equal the 2021 amounts adjusted for one year's wage inflation.

## Health and fringe benefit limits

	2022	2021	2020
<b>Tax-free qualified transportation fringe benefits</b>			
Monthly qualified parking, transit passes or commuter highway vehicle	\$280	\$270	\$270
<b>Health flexible spending arrangement (FSA) and excepted-benefit health reimbursement arrangement (HRA) limits</b>			
Health FSA salary reduction contribution	\$2,850	\$2,750	\$2,750
Health FSA carryover	\$570	unlimited*	unlimited*
Excepted-benefit HRA employer contribution	\$1,800	\$1,800	\$1,800
<b>Health savings account (HSA) and high-deductible health plan (HDHP) limits</b>			
<b>Self-only coverage</b>			
Tax-deductible/tax-free HSA contribution	\$3,650	\$3,600	\$3,550
HDHP minimum annual deductible	\$1,400	\$1,400	\$1,400
HDHP out-of-pocket maximum	\$7,050	\$7,000	\$6,900
<b>Family coverage</b>			
Tax-deductible/tax-free HSA contribution	\$7,300	\$7,200	\$7,100
HDHP minimum annual deductible	\$2,800	\$2,800	\$2,800
HDHP out-of-pocket maximum	\$14,100	\$14,000	\$13,800
<b>HSA catch-up contribution**</b>	\$1,000	\$1,000	\$1,000
<b>ACA nongrandfathered group health plan out-of-pocket maximums</b>			
Self-only coverage (and embedded individual maximum in family coverage)	\$8,700	\$8,550	\$8,150
Family coverage	\$17,400	\$17,100	\$16,300
<b>ACA play-or-pay assessments</b>			
Not offering coverage	\$2,750	\$2,700	\$2,570
Offering coverage lacking minimum value or affordability	\$4,120	\$4,060	\$3,860
<b>ACA monthly employee contribution limit for play-or-pay FPL affordability safe harbor (48 contiguous states and Washington, DC)</b>			
Calendar-year plans	\$103.15	\$104.53	\$101.79
Noncalendar-year plans	\$108.83	\$105.51	\$103.99
<b>ACA affordability percentages for employer coverage</b>			
Top % of income for lowest-cost self-only coverage with minimum value	9.61%	9.83%	9.78%

### 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 2021 level of \$105.51 per month to determine FPL affordability until their 2022 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 2021 Consolidated Appropriations Act permits unlimited carryovers of health FSA balances into the next plan year for plan years ending in 2020 and 2021. The indexed carryover amount was \$550 for both years. Any health FSA balances remaining on the last day of the plan year ending in 2022 will be subject to the indexed \$570 carryover limit.

\*\* The HSA catch-up contribution limit is not adjusted annually.