



Annual Benefit Limits

This chart lists annual benefit limits, including those for health, transit, and retirement and savings plan benefits, for 2025 and 2026.

Health and Welfare Plans	2025	2026
High deductible health plan (HDHP) + health savings account (HSA)		
Qualifying HDHP	Minimum annual deductible (plan year): <ul style="list-style-type: none"> • Self-only coverage: \$1,650 • Family coverage: \$3,300 Maximum out of pocket (plan year): <ul style="list-style-type: none"> • Self-only coverage: \$8,300 • Family coverage: \$16,600 	Minimum annual deductible (plan year): <ul style="list-style-type: none"> • Self-only coverage: \$1,700 • Family coverage: \$3,400 Maximum out of pocket (plan year): <ul style="list-style-type: none"> • Self-only coverage: \$8,500 • Family coverage: \$17,000
HSA	Maximum employee contribution: <ul style="list-style-type: none"> • Self-only HDHP coverage: \$4,300 • Family HDHP coverage: \$8,550 • Catch-up contribution (55 or older): \$1,000 	Maximum employee contribution: <ul style="list-style-type: none"> • Self-only HDHP coverage: \$4,400 • Family HDHP coverage: \$8,750 • Catch-up contribution (55 or older): \$1,000
Affordable Care Act (ACA)		
Cost Sharing Limits	Maximum out of pocket (plan year): <ul style="list-style-type: none"> • Self-only coverage: \$9,200 • Family coverage: \$18,400 	Maximum out of pocket (plan year): <ul style="list-style-type: none"> • Self-only coverage: \$10,600 • Family coverage: \$21,200
Health flexible spending account (HFSA)	Maximum elective contribution (plan year): \$3,300 Maximum allowable carryover: \$660	Maximum elective contribution (plan year): \$3,400 Maximum allowable carryover: \$680
Employer shared responsibility (ESR)	§ 4980H(a) penalty: \$2,900 § 4980H(b) penalty: \$4,350 Affordability percentage: 9.02%	§ 4980H(a) penalty: \$3,340 § 4980H(b) penalty: \$5,010 Affordability percentage: 9.96%
Patient-Centered Outcomes Research Institute (PCORI) fee	Plan year ends between 10/1/24 and 9/30/25: \$3.47	Plan year ends between 10/1/25 and 9/30/26: \$3.84

Health and Welfare Plans	2025	2026
Miscellaneous		
Excepted benefits health reimbursement arrangement (EBHRA)	\$2,150	\$2,200
Qualified small employer health reimbursement arrangement (QSEHRA)	Employee only: \$6,350	Employee only: \$6,450
	Employee and family: \$12,800	Employee and family: \$13,100
Small employer health credit: average wage phase-out	\$33,300	\$34,100
Qualified transportation fringe benefits (§ 132(f))	Parking: \$325/month	Parking: \$340/month
	Vanpooling/mass transit: \$325/month	Vanpooling/mass transit: \$340/month

Retirement and Savings Plans	2025	2026
Social Security and Medicare tax rates	Social Security: <ul style="list-style-type: none"> • Taxable base wage: \$176,100 • Employer contribution rate: 6.2% • Employee contribution rate: 6.2% Medicare: <ul style="list-style-type: none"> • Taxable wage base: unlimited • Employer contribution rate: 1.45% • Employee contribution rate: 1.45% (plus 0.9% on wages over \$200,000*) *\$200,000 single or head of household; \$250,000 married filing jointly; \$125,000 married filing separately	Social Security: <ul style="list-style-type: none"> • Taxable base wage: \$184,500 • Employer contribution rate: 6.2% • Employee contribution rate: 6.2% Medicare: <ul style="list-style-type: none"> • Taxable wage base: unlimited • Employer contribution rate: 1.45% • Employee contribution rate: 1.45% (plus 0.9% on wages over \$200,000) *\$200,000 single or head of household; \$250,000 married filing jointly; \$125,000 married filing separately
401(k), 403(b), 457, and federal Thrift Savings Plans	Maximum elective contribution: \$23,500 Maximum catch-up contribution (age 50–59): \$7,500 Maximum catch-up contribution (age 60–63): \$11,250	Maximum elective contribution: \$24,500 Maximum catch-up contribution (age 50–59): \$8,000 Maximum catch-up contribution (age 60–63): \$11,250
Individual retirement arrangement (IRA)	Maximum contribution: \$7,000 Maximum catch-up contribution (age 50 or older): \$1,000	Maximum contribution: \$7,500 Maximum catch-up contribution (age 50 or older): \$1,100
Simplified Employee Pension IRA (SEP IRA), individual/solo 401(k) plans	Maximum elective contribution: \$70,000 Annual compensation limit: \$350,000	Maximum elective contribution: \$72,000 Annual compensation limit: \$360,000
Savings Incentive Match Plan for Employees IRA (SIMPLE IRA)	Maximum elective contribution: \$16,500 Maximum catch-up contribution (age 50–59): \$3,500 Maximum catch-up contribution (age 60–63): \$5,250	Maximum elective contribution: \$17,000 Maximum catch-up contribution (age 50–59): \$4,000 Maximum catch-up contribution (age 60–63): \$5,250
Defined benefit plans	Annual benefit limit: \$280,000	Annual benefit limit: \$290,000
Miscellaneous	Highly compensated employee: \$160,000 Key employee: <ul style="list-style-type: none"> • Officer: \$230,000 • 1% owner: \$150,000 • 5% owner: no minimum 	Highly compensated employee: \$160,000 Key employee: <ul style="list-style-type: none"> • Officer: \$235,000 • 1% owner: \$150,000 • 5% owner: no minimum