

# EMPLOYEE BENEFIT LIMITS

Employee Benefit Limit	1998	1999	2000	2001	2002
Sec. 415 Defined Benefit Dollar Limit IRC Sec. 415(b)(1)(A)	\$ 130,000	\$ 130,000	\$ 135,000	\$ 140,000	\$ 160,000 <sup>1*</sup>
Sec. 415 Defined Contribution Dollar Limit IRC Sec. 415(c)(1)(A)	\$ 30,000	\$ 30,000	\$ 30,000	\$ 35,000 <sup>2</sup>	\$ 40,000 <sup>3*</sup>
Elective Deferral Limit for 401(k) Plans IRC Sec. 402(g)(1)	\$ 10,000	\$ 10,000	\$ 10,500	\$ 10,500	\$ 11,000 <sup>4</sup>
Catch-Up Limits for 401(k) Plans (Age 50+)	N/A	N/A	N/A	N/A	\$ 1,000 <sup>5</sup>
Minimum Compensation Amount for SEPs (Non-SIMPLE) IRC Sec. 408(k)(2)(C)	\$ 400	\$ 400	\$ 450	\$ 450	\$ 450
Maximum Compensation Limit for SEPs IRC Sec. 408(k)(3)(C), Qualified Plans, IRC Secs. 401(a)(17), 404(l)	\$ 160,000	\$ 160,000	\$ 170,000	\$ 170,000	\$ 200,000 <sup>6*</sup>

## Employee Benefit Limit

1998

1999

2000

2001

2002

Highly Compensated Employee Definitional Limits - IRC Sec. 414(q)(1)(B)	\$ 80,000	\$ 80,000	\$ 85,000	\$ 85,000	\$ 90,000
ESOP Payout Limits	\$ 145,000 <sup>7</sup>	\$ 145,000 <sup>7</sup>	\$ 150,000 <sup>7</sup>	\$ 155,000 <sup>7</sup>	\$ 160,000
IRC Sec. 409(o)(1)(C)(ii)	\$ 725,000 <sup>8</sup>	\$ 735,000 <sup>8</sup>	\$ 755,000 <sup>8</sup>	\$ 780,000 <sup>8</sup>	\$ 800,000
SS Taxable Wage Base	\$ 68,400	\$ 72,600	\$ 76,200	\$ 80,400	\$ 84,900
Contribution Limit for SIMPLE IRC Sec. 408(p)(2)(A) <sup>8</sup>	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,500	\$ 7,000 <sup>9</sup>
Catch-Up Limits for SIMPLE 401(k) Plan (Age 50+)	N/A	N/A	N/A	N/A	\$ 500 <sup>10</sup>

For more information, visit [www.TA-Retirement.com](http://www.TA-Retirement.com).

<sup>1</sup> COLA increase in \$5,000 increments after 2002.

<sup>2</sup> Lesser of \$35,000 or 25% of employee compensation.

<sup>3</sup> EGTRRA provides the lesser of \$40,000 or 100% of employee compensation; with Cost of Living Adjustment (COLA) increase in \$1,000 increments after 2002.

<sup>4</sup> Effective 2003, \$12,000. Increasing by \$1,000 each year in 2004-6; thereafter, COLA increase in \$500 increments.

<sup>5</sup> Effective 2003, \$2,000. Increasing by \$1,000 each year in 2004-6; thereafter, COLA increase in \$500 increments.

<sup>6</sup> COLA increase in \$5,000 increments after 2002.

<sup>7</sup> Amount used to determine the lengthening of the 5-year distribution period.

<sup>8</sup> Amount used for determining the maximum account balance in an ESOP subject to a 5-year distribution period.

<sup>9</sup> Effective 2003, \$8,000. Increasing by \$1,000 each year in 2004-5; thereafter, COLA increase in \$500 increments.

<sup>10</sup> Effective 2003, \$1,000. Increasing by \$500 each year in 2004-6; thereafter, COLA increase in \$500 increments.

\* Generally effective for plan years beginning after 12/31/01.

