

2007 Plan Limits

Posted: 12/15/2006

Who:

Plan administrators and sponsors

When:

January 1, 2007

Executive Summary:

The IRS has recently announced new limits for 2007 that affect employee health and welfare plans and retirement plans, as well as the new Social Security wage base.

Social Security wage base	\$97,500
---------------------------	----------

Retirement Plans

401(k) salary deferral limit	\$15,500
------------------------------	----------

401(k) catchup contribution	\$5,000
-----------------------------	---------

Defined contribution annual limit	\$45,000
-----------------------------------	----------

Highly compensated employee	\$100,000
-----------------------------	-----------

Defined benefit: annual benefit limit	\$180,000
---------------------------------------	-----------

Annual compensation limit	\$225,000
---------------------------	-----------

Health and Welfare Plans

HSA individual contribution limit	\$2,850
-----------------------------------	---------

HSA family contribution limit	\$5,650
-------------------------------	---------

HSA minimum individual deductible	\$1,100
-----------------------------------	---------

HSA minimum family deductible	\$2,200
-------------------------------	---------

HDHP maximum individual out-of-pocket	\$5,500
---------------------------------------	---------

HDHP maximum family out-of-pocket	\$11,000
-----------------------------------	----------

HSA catchup contribution	\$800
--------------------------	-------

Transit pass and vanpooling limit (monthly)	\$110
---	-------

Qualified parking expenses (monthly)	\$215
--------------------------------------	-------

Action Required:

Plan administrators and sponsors must ensure that plan documents and materials are up to date. In addition, they must communicate the new limits to employees.