

Law and Policy Group

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2026 retirement plan limits now set

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IRS Notice 2025-67 provides official 2026 limits for qualified defined benefit and defined contributions retirement plans and Internal Revenue Code (IRC) Section 403(b) plans. The 2026 limits reflect increases in the Consumer Price Index for All Urban Consumers (CPI-U) from the third quarter of 2024 to the third quarter of 2025.

IRC retirement plan limit	2026	2025
401(k), 403(b) and eligible 457 plan elective deferrals (and designated Roth contributions)	\$24,500	\$23,500
414(v)(2)(B)(i) catch-up contributions for employees ages ≥ 50 ¹		
For employees ages 60–63	11,250	11,250
For all other employees	8,000	7,500
414(v)(7)(A) FICA wage threshold for Roth catch-up mandate ²	150,000	145,000
415(b) defined benefit plan annuity	290,000	280,000
415(c) defined contribution plan annual addition	72,000	70,000
401(a)(17) and 408(k)(3)(C) compensation	360,000	350,000
414(q)(1)(B) highly compensated employee (HCE) and 414(q)(1)(C) top-paid group ³	160,000	160,000
416(i)(1)(A)(i) officer compensation for top-heavy plan key employee	235,000	230,000

¹ Different limits apply to SIMPLE plans.

² Employees are subject to the Roth catch-up mandate in 2026 if their 2025 FICA wages exceeded \$150,000.

³ The HCE limit shown for a year is applied to compensation for that plan year to determine if an employee is an HCE for the following plan year, e.g., an employee with 2026 plan year compensation greater than \$160,000 may be an HCE for the 2027 plan year.

Related resources

Non-Mercer resource

- [Notice 2025-67](#) (IRS, Nov. 13, 2025)

Mercer Law & Policy resources

- [Summary of 2025 benefit-related cost-of-living adjustments](#) (Jan. 24, 2025)
- [2026 quick benefit facts](#) (Nov. 14, 2025)
- [Quick benefit facts and COLA resources for benefit plans](#) (2021–2025)

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