

Law and Policy Group

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Mercer projects 2026 retirement plan limits (updated)

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Almost every key Internal Revenue Code (IRC) limit for qualified retirement plans will rise from 2025 to 2026, Mercer projects. The 2026 limits will 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.

This updated article reflects a revised estimate of the 2026 “super catch-up” limit for employees ages 60–63. The previous article showed a projected 2026 limit of \$12,000, equal to 150% of the projected 2026 regular catch-up limit of \$8,000. However, while the statute is not entirely clear, published [IRS regulations](#) on IRC section 414(v) suggest the super catch-up limit will be indexed separately from the regular limit, in increments of \$500. In this case, we project the limit will remain \$11,250 for 2026.

IRS usually announces official limits for the coming year soon after the release of the CPI-U value for September, but this year’s announcement could be delayed until after the government resumes normal operations.

The table below shows Mercer’s projections of the 2026 limits, along with the actual 2025 amounts for comparison. The table also includes the threshold that determines whether employees age 50 and older will be subject to the Roth catch-up mandate in 2026 based on their 2025 FICA wages.

| IRC retirement plan limit | Projected 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/ 12,000 ² | 11,250 |
| For all other employees | 8,000 | 7,500 |

| IRC retirement plan limit | Projected 2026 | 2025 |
|---|-------------------|---------|
| 414(v)(7)(A) FICA wage threshold for Roth catch-up mandate ³ | 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 ⁴ | 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 Depending on the indexing methodology.

³ Employees are subject to the Roth catch-up mandate in 2026 if their 2025 FICA wages exceeded \$150,000.

⁴ 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

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- [IRS finalizes rules on Roth catch-up mandate for high earners](#) (Sept. 23, 2025)
- [Summary of 2025 benefit-related cost-of-living adjustments](#) (Jan. 24, 2025)
- [Quick benefit facts for 2025](#) (Jan. 16, 2025)
- [Quick benefit facts and COLA resources for benefit plans](#) (2021–2025)

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