

ALERTS

What Are the Retirement Plan Dollar Limits for 2022?

November 4, 2021

The Secretary of the Treasury announced today the 2022 limits for qualified retirement plans and IRAs based on cost of living increases. The Consumer Price Index for all Urban Consumers is the benchmark used to determine the index. With a cost-of-living increase of 5.9% (the largest cost-of-living increase since 1982), most of the dollar limits are increasing for 2022 as noted in the table on page 2.

IRS Notice 2021-61 sets forth the annual dollar limitations on benefits and contributions on qualified plans, effective Jan. 1, 2022, as required under Section 415(d) of the Internal Revenue Code. For 2022, the cap on employee deferrals increases to \$20,500 and the annual additions limit for 401(k), 403(b) and other defined contribution plans increases to \$61,000. Highly compensated employees will have a greater amount of their compensation allocated to a qualified plan with the increase of the compensation cap from \$290,000 to \$305,000.

Employers and Plan Sponsors of qualified retirement plans should communicate these limits for 2022 to plan participants. We are available to advise you on updating your enrollment materials, summary plan descriptions, employee handbooks and other employee communications. If you have any questions about the new limits or any other employee benefit matters, please feel free to contact one of the authors.

[Click here to read this *Alert*.](#)

Authored by Mark E. Brossman, Ian L. Levin, Ronald E. Richman and Susan E. Bernstein.

This communication is issued by Schulte Roth & Zabel LLP for informational purposes only and does not constitute legal advice or establish an attorney-client relationship. In some jurisdictions, this publication may be considered attorney advertising. ©2020 Schulte Roth & Zabel LLP.

All rights reserved. SCHULTE ROTH & ZABEL is the registered trademark of Schulte Roth & Zabel LLP.

Related People



**Mark
Brossman**

Partner
New York



**Ian
Levin**

Partner
New York



**Ronald
Richman**

Partner
New York



**Susan
Niver**

Special Counsel
New York

Practices

EMPLOYMENT AND EMPLOYEE BENEFITS

Attachments

⬇ [Download Alert](#)

