

**ALERTS**

## What Are the Retirement Plan Dollar Limits for 2023?

**October 25, 2022**

The Secretary of the Treasury announced the 2023 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 8.3 percent (the largest cost-of-living increase since 1982), most of the dollar limits are increasing for 2023 as noted in the table on page two.

IRS Notice 2022-55 sets forth the annual dollar limitations on benefits and contributions to qualified plans, effective Jan. 1, 2023, as required under Section 415(d) of the Internal Revenue Code. For 2023, the cap on employee deferrals increases to \$22,500, catch-up contributions increase from \$6,500 to \$7,500 and the annual additions limit for 401(k), 403(b) and other defined contribution plans increases to \$63,000.

For 2023, highly compensated employees, who participate in both qualified and non-qualified plans, will have a greater amount of their compensation allocated to their qualified plan due to the increase in the compensation limit from \$305,000 to \$330,000.

Employers and Plan Sponsors of qualified retirement plans should communicate the new limits for 2023 to their 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.

To read this *Alert*, click [here](#).

*Authored by Mark E. Brossman, David Cohen, 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. ©2022 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



**David  
Cohen**

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](#)