

# 2021 Retirement Plan Contribution Limits

Every year, the Internal Revenue Service updates the maximum amounts that may be contributed to 401(k)s and other retirement accounts. This chart illustrates the limits for 2021 and the change (if any) from the previous year.

| Contribution Limits  | 2020      | 2021      | Change   |
|--|-----------|-----------|----------|
| 401(k), 403(b) and 457 elective deferrals                            | \$19,500  | \$19,500  | None     |
| Catch-up deferral for age 50 and up on 401(k), 403(b) and 457        | \$6,500   | \$6,500   | None     |
| SIMPLE 401(k)/IRA  | \$13,500  | \$13,500  | None     |
| SIMPLE catch-up contribution   | \$3,000   | \$3,000   | None     |
| Traditional and Roth IRA   | \$6,000   | \$6,000   | None     |
| Catch-up contribution for Traditional and Roth IRA for age 50 and up | \$1,000   | \$1,000   | None     |
| Who qualifies as a Highly Compensated Employee?                      | \$125,000 | \$130,000 | +\$5,000 |
| Maximum annual contribution to defined benefit plans                 | \$57,000  | \$58,000  | +\$1,000 |

As you can see, the theme for 2021 is essentially “no change.”

If you have questions or would like to discuss retirement planning, investing or any other aspect of your financial life, reach out to Servion Financial Advisors for advice.

[servionfa.com](http://servionfa.com) • 651-631-3111

Registered Representative offering securities and advisory services through Cetera Advisor Networks LLC, member FINRA/SIPC, a broker-dealer and a Registered Investment Advisor. **Investments are:** • Not FDIC/NCUSIF insured • May lose value • Not financial institution guaranteed • Not a deposit • Not insured by any federal government agency. Cetera is under separate ownership from any other named entity. For a comprehensive review of your personal situation, always consult with a tax or legal advisor. Neither Cetera Advisor Networks LLC nor any of its representatives may give legal or tax advice. All investing involves risk, including the possible loss of principal. There is no assurance that any investment strategy will be successful. 500 Main Street, Suite 100, New Brighton, MN 55112. 651-631-3111.

