



COLA: COST-OF-LIVING ADJUSTMENTS 2023

These Compass-created, easy-to-follow charts provide the latest Cost-of-Living Adjustments (COLAs) for 2023 versus prior years. These limits are provided each year by the Internal Revenue Service and become effective January 1, 2023.

MAXIMIZING DOLLAR LIMITATIONS

Employee Deferral Limits	2023	2022	2021
401(k) Contribution	\$22,500	\$20,500	\$19,500
403(b) Contribution	\$22,500	\$20,500	\$19,500
457 Contribution	\$22,500	\$20,500	\$19,500
SIMPLE 401(k)/IRA	\$15,500	\$14,000	\$13,500

Employee Catch-up Limits	2023	2022	2021
401(k), 403(b), 457	\$7,500	\$6,500	\$6,500
SIMPLE 401(k)/IRA	\$3,500	\$3,000	\$3,000

Social Security Taxable Wage Bases	2023	2022	2021
Social Security	\$160,200	\$147,000	\$142,800
Medicare	No Limit	No Limit	No Limit

Other Plan Limitations	2023	2022	2021
Annual Compensation Limit	\$330,000	\$305,000	\$290,000
Defined Benefit Plan Maximum Benefit	\$265,000	\$245,000	\$230,000
Defined Contribution Plan Maximum Contribution Limit	\$66,000	\$61,000	\$58,000
Highly Compensated Employees' Threshold	\$150,000	\$135,000	\$130,000
Key Employee (Officer) Compensation Threshold	\$215,000	\$200,000	\$185,000

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