

TO: All Registered Representatives of PFS Investments
FROM: PFS Investments Inc.
DATE: March 25, 2025
SUBJECT: Retirement Plan Contribution Limits 2024-2025
BULLETIN NO: 25-BD-024

Below are the guidelines for Retirement Plan Contribution Limits for 2024 and 2025.

Click on the IRS link for additional information.

<https://www.irs.gov/retirement-plans/cola-increases-for-dollar-limitations-on-benefits-and-contributions>

TYPE	2024	2025
IRA (Traditional and Roth)	\$7,000.00	\$7,000.00
IRA Catch-up Contribution* (allowed for shareholders age 50 and older)	\$1,000.00	\$1,000.00
401(k) Plans	\$23,000.00	\$23,500.00
401(k) Plans Catch-up Contribution* (allowed for shareholders 50 and older)	\$7,500.00	\$7,500.00
403(b) Plans	\$23,000.00	\$23,500.00
403(b) Plans Catch-up Contribution* (allowed for shareholders 50 and older)	\$7,500.00	\$7,500.00
SIMPLE Plans Employee Salary Reduction	\$16,000.00	\$16,500.00
SIMPLE Plan Catch-up Contribution* (allowed for shareholders age 50 or older)	\$3,500.00	\$3,500.00**
Simple Plans Employer Contributions- Matching (up to 3% of Compensation)	\$10,350.00	\$10,500.00
Simple Plans Employer Contributions- Nonelective (2% of Compensation)	\$6,900.00	\$7,000.00
SEP or SAR SEP Plans (25% of compensation up to annual limits)	\$69,000.00	\$70,000.00
Coverdell Education Savings Account	\$2,000.00	\$2,000.00

*The qualifying age to make a catch-up contribution is 50. See the **EGTRRA*** section for additional information regarding the catch-up contribution limits.

1. Please do not offer tax advice to shareholders. For individual tax situations, direct the shareholder to a qualified tax professional
2. The maximum SIMPLE Employer Contribution for a specific employee may be lower based on options the employer elections, the age of the employee and the amount the employee contributes. For more information, see the **SIMPLE IRA*** account type solution and go to Employer Contributions.

**Under a change made in SECURE 2.0, a higher catch-up contribution limit applies for employees aged 60, 61, 62 and 63 who participate in SIMPLE plans. For 2025, this higher catch-up contribution limit is \$5,250. Plan participants should seek assistance from a Tax Professional to determine if they are eligible to make these contributions.