



2012 Cost-of-Living Adjustments for Retirement Plans

The Internal Revenue Service announced on October 20, 2011 the following retirement plan limits for 2012 which are the first cost-of-living adjustments since 2009. These limits are listed below with a comparison to the 2011 limit:

Dollar Limit	2011	2012
Defined Benefit Plan Benefit: I.R.C. §415(b)(1)(A)	\$195,000	\$200,000
Defined Contribution Plan: I.R.C. §415(c)(1)(A)	\$49,000	\$50,000
401(k)/403(b) Elective Deferral: I.R.C. §402(g)(1)	\$16,500	\$17,000
I.R.C. §457(b) Deferred Compensation Plan: (State and Local Governments and Tax Exempt Organizations) I.R.C. §457 (e)(15)	\$16,500	\$17,000
Age 50 or Older Catch-Up Contribution: I.R.C. §414(v)(2)(B)(1)	\$5,500	\$5,500
Annual Compensation: I.R.C. §§401(a)(17) and 404(l)	\$245,000	\$250,000
Highly Compensated Employee: (compensation in the prior year in excess of:)	\$110,000	\$115,000
Top-Heavy Plan Key Employee: I.R.C. §416(i)(1)(A)(i)	\$160,000	\$165,000

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