



## 2024 EMPLOYEE BENEFIT PLAN LIMITS

IRS UPDATES LIMITS

The IRS recently announced cost-of-living adjustments to the applicable dollar limits for various employer-sponsored welfare plans for 2024. Some of the dollar limits currently in effect for 2023 will remain the same, but most limits will increase in 2024.

Employers should update payroll and plan administration systems for 2024 and incorporate the new limits in relevant employee communications, like open enrollment materials and benefit summaries.

The table below compares the dollar limits for certain employee benefit programs:

Welfare Plan Limits	2023	Change	2024
<b>Health Flexible Spending Accounts (FSA)</b>			
Maximum salary reduction limit	\$3,050	↑	\$3,200
Carryover limit	\$610	↑	\$640
<b>Dependent Care Flexible Spending Accounts</b>			
If employee is married and filing a joint return or if employee is a single parent	\$5,000	=	\$5,000
If employee is married but filing separately	\$2,500	=	\$2,500
<b>High Deductible Health Plans (HDHP) and Health Savings Accounts (HSA)*</b>			
HDHP – maximum annual out-of-pocket limit			
Self-only coverage	\$7,500	↑	\$8,050
Family coverage	\$15,000	↑	\$16,100
HDHP – minimum annual deductible			
Self-only coverage	\$1,500	↑	\$1,600
Family coverage	\$3,000	↑	\$3,200
HSA – annual contribution limit			
Self-only coverage	\$3,850	↑	\$4,150
Family coverage	\$7,750	↑	\$8,300
Catch-up contributions (age 55+)	\$1,000	=	\$1,000
<b>ACA Out-of-Pocket Limits</b>			
Self-only coverage	\$9,100	↑	\$9,450
Family coverage	\$18,200	↑	\$18,900
<b>Social Security Wage Base</b>			
Social Security Maximum Taxable Earnings	\$160,200	↑	\$168,600
<b>Cafeteria Plan Nondiscrimination Income Threshold</b>			
Highly Compensated Employee	\$150,000	↑	\$155,000
Key Employee	\$215,000	↑	\$220,000

\* Plans with an embedded deductible must have a minimum deductible that is equal to or higher than the minimum annual HDHP family deductible (e.g., \$3,200 for 2024).

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### QUESTIONS?

As always, please contact your Benefit Advisor with any questions.

