



Retirement Plan Contribution Limits

Thanks to continued low inflation, many of the numbers that are indexed in increments will remain unchanged in 2003. The main changes come from the continued phase-in of the Economic Growth and Tax Relief Reconciliation Act, such as increased contributions to 401(k) and other salary deferral plans.

Description	2003	2002
Annual compensation used to determine contribution for most plans	\$200,000	\$200,000
Certain governmental plans	\$300,000	\$295,000
Defined contribution plans, basic limit	\$40,000	\$40,000
Defined benefit plans, basic limit	\$160,000	\$160,000
401(k) plans, 403(b) plans, 457(b) plans, elective deferrals	\$12,000	\$11,000
401(k) plans, 403(b) plans, 457(b) plans, catch-up provision for individuals 50 and over in most salary reduction plans	\$2,000	\$1,000
SIMPLE plans, elective deferral limit	\$8,000	\$7,000
SIMPLE plans, catch-up contribution	\$1,000	\$500

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