

IVEN R. TAUB

ATTORNEY AT LAW

Of Counsel
Timothy W. Lewis ^Δ
Schwartzman Garelik
Walker & Troy, P.C. ^{ΔΔ}

355 LEXINGTON AVENUE
8TH FLOOR
NEW YORK, NEW YORK 10017

TEL: (212) 286-7700
(212) 686-6866

^ΔMember Admitted in
New York and Massachusetts
^{ΔΔ} Members Admitted in
New York and New Jersey

FAX: (212) 481-2488
E-mail: Ivenesq@aol.com
Website: www.ivenesq.com

WESTCHESTER OFFICE
550 MAMARONECK AVENUE
SUITE 401
HARRISON, NEW YORK 10528

TEL: (914) 835-7100
FAX: (914) 835-7466

BY APPOINTMENT ONLY

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TO: CLIENTS AND THEIR ADVISORS

RE: 2021 BENEFIT LIMITS

The following is a Desk Reference Summary of the most relevant 2021 annual qualified retirement benefit limits and how they compare with the limits for 2019 and 2020:

	<u>2019</u>	<u>2020</u>	<u>2021</u>
401(k) ELECTIVE DEFERRAL	\$19,000	\$19,500	\$19,500
CATCH UP DEFERRALS FOR 401(k) OR SEP PLANS AGE 50 & OVER	6,000	6,500	6,500
ANNUAL CONTRIBUTIONS FOR DEFINED CONTRIBUTION PLANS	56,000	57,000	58,000
ANNUAL BENEFIT FOR DEFINED BENEFIT PLAN PARTICIPANTS	225,000	230,000	230,000
MAXIMUM ANNUAL COMPENSATION ALLOWABLE FOR BENEFIT & SEP PURPOSES	280,000	285,000	290,000
MAXIMUM COMPENSATION TO DETERMINE HIGHLY COMPENSATED STATUS (NOTE: DETERMINATION BASED ON PRIOR YEAR'S SALARY AND THRESHOLD LEVEL)	125,000	130,000	130,000
DOLLAR LIMITATION FOR DEFINITION OF KEY EMPLOYEE IN TOP-HEAVY PLAN	180,000	185,000	185,000
IRA/ROTH IRA CONTRIBUTIONS	6,000	6,000	6,000
CATCH UP CONTRIBUTIONS TO IRA/ROTH IRA	1,000	1,000	1,000
WAGES SUBJECT TO SOCIAL SECURITY TAX	132,900	137,700	142,800

Our office is available to assist you or your clients in exploring retirement planning issues as well as our other areas of specialization, including tax dispute resolution; sophisticated gift and estate tax planning opportunities including family limited partnerships, qualified personal residence trusts, intentionally defective grantor trusts and charitable scenarios, which will assist in the preservation of wealth for future generations; business law; estate and trust administration; employment law representation and real estate transactions.