

# Legislative Brief

## 2010 Indexed Figures for Qualified Retirement Plans



Qualified Retirement Plans must take various dollar limits into consideration. Some of these are indexed and can therefore change on occasion. Below are the new figures for 2010, as well as the figures for the past three years.

<b>401(k) and 403(b) Retirement Plan Limits</b>				
	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Elective deferral limits</b>	<b>\$15,500</b>	<b>\$15,500</b>	<b>\$16,500</b>	<b>\$16,500</b>
<b>Catch Up Limits</b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$5,500</b>	<b>\$5,500</b>
<b>Maximum Total Contribution (under age 50)*</b>	<b>\$45,000</b>	<b>\$46,000</b>	<b>\$49,000</b>	<b>\$49,000</b>
<b>Maximum Total Contribution (age 50 or older)*</b>	<b>\$50,000</b>	<b>\$51,000</b>	<b>\$54,500</b>	<b>\$54,500</b>
<b>Compensation Limit</b>	<b>\$225,000</b>	<b>\$230,000</b>	<b>\$245,000</b>	<b>\$245,000</b>
<b>Social Security Wage Base</b>	<b>\$97,500</b>	<b>\$102,000</b>	<b>\$106,800</b>	<b>\$106,800</b>
<b>Simple 401(k) and Simple IRA Plan Limits</b>				
	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Elective deferral limits</b>	<b>\$10,500</b>	<b>\$10,500</b>	<b>\$11,500</b>	<b>\$11,500</b>
<b>Catch Up Limits</b>	<b>\$2,500</b>	<b>\$2,500</b>	<b>\$2,500</b>	<b>\$2,500</b>

### Determination of Highly Compensated Employees

1. Employees owning more than 5% of a company, as well as an employee who is a spouse, child, parent or grandparent of an employee owning more than 5% of a company will always be considered highly compensated.
2. Employees who earn more than \$110,000 (same as 2009) in 2010 will be considered highly compensated in the following year.
3. Employees who participate in 403(b) programs may be eligible to make additional contribution under the maximum exclusion allowance (MEA) rules. Please contact your NFS representative with any questions