

## MARKET UPDATE

# 2026 Retirement Plan Contribution Limits

## What's Changing and How It May Benefit You

The IRS has released the updated retirement plan contribution limits for 2026, and the changes are good news for savers. Whether you participate in your employer's 401(k) plan or save through IRAs, you'll have the opportunity to set aside more money on a tax-advantaged basis in the upcoming year.

Below is a simple breakdown of what's changing and how it may benefit you & your employees.

### 2026 CONTRIBUTION LIMITS AT A GLANCE

Category	2026 Limit	What It Means
Employee 401(k) Contribution (Under 50)	<b>\$24,500</b>	Employees can contribute \$1,000 more than in 2025.
Catch-Up Contribution (Age 50+)	<b>Additional \$8,000</b> (Total: \$32,500)	Older participants can boost their retirement savings.
"Super" Catch-Up (Age 60–63)	<b>Additional \$11,250</b> (Total: \$35,750)	SECURE 2.0 enhanced limit for older participants.
Total Employer + Employee Contributions	<b>Expected increase</b> \$70,000 → \$72,000	Combined limit for profit-sharing + deferrals.
Simple IRA Contribution Limit	<b>\$17,000</b>	\$500 increase over 2025.
Catch-Up Contribution (Age 50+)	<b>Additional \$4,000</b> (Total: \$21,000)	Older participants can boost their retirement savings.
Highly Compensated Employees	<b>\$160,000+*</b>	Higher compensation limit requirement for compliance testing purposes.

\* Applies for determining highly compensated employees for the 2026 calendar plan year

### ACTION STEPS TO CONSIDER

- **Review your contribution rate now** so you're on track to hit next year's limits.
- **Coordinate contributions** if you have changed jobs and will have access to more than one 401(k) in the same calendar year.
- **Maximize employer matching** — it's free money toward your retirement.
- **For business owners:** Now is a great time to review safe harbor, profit-sharing, and new comparability strategies.

### We're Here to Help

If you'd like assistance updating your deferral elections or reviewing whether you qualify for catch-up or Roth contributions, feel free to reach out. Our team is happy to guide you through the updates and help you maximize your retirement savings for the coming year.

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