

**2012 KEY DOLLAR LIMITS
CONTRIBUTIONS AND BENEFITS**

Every year the Internal Revenue Service announces the cost-of-living adjustments applicable to qualified retirement plan for the following year. The table below highlights key limits effective January 1, 2012 and compares them to 2011.

Limitation	2012	2011
Annual Deferral Limit for 401(k), 403(b), and 457(b) Plans	\$17,000	\$16,500
Age 50 Catch-Up for 401(k), 403(b), and 457(b) Plans	\$5,500	\$5,500
Defined Contribution Annual Allocation Limit	\$50,000	\$49,000
Defined Benefit Maximum Annual Benefit	\$200,000	\$195,000
Annual Compensation Limit for Retirement Plan Purposes	\$250,000	\$245,000
Highly Compensated Employee (HCE) Threshold	\$115,000	\$110,000
Key Employee/Officer	\$165,000	\$160,000
SIMPLE Contribution Limit	\$11,500	\$11,500
SIMPLE Catch-Up Contributions	\$2,500	\$2,500
SEP Coverage	\$550	\$550
SEP Compensation Limit	\$250,000	\$245,000
Social Security Wage Base	\$110,100	\$106,800

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