

**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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