

2025 RETIREMENT PLAN CONTRIBUTION LIMITS



Changes to 2025 Contribution Saving Limits

Contribution	2024 Limit	2025 Limit	Change
401(k)/403(b) Employee Contribution	\$23,000	\$23,500	\$500
401(k)/403(b) Catch-up Contribution	\$7,500	\$7,500	\$0
401(k)/403(b) Catch-up Contribution for ages 60, 61, 62, and 63	\$7,500	\$11,250	\$3,750
401(k)/403(b) Total Contribution < 50	\$69,000	\$70,000	\$1,000
401(k)/403(b) Total Contribution 50-59	\$76,500	\$77,500	\$1,000
401(k)/403(b) Total Contribution 60+	\$77,500	\$81,250	\$3,750
457(b) Contribution	\$23,000	\$23,500	\$500
Traditional IRA Contribution	\$7,000	\$7,000	\$0
Traditional IRA Catch-up Contribution	\$1,000	\$1,000	\$0
Roth IRA Contribution	\$7,000	\$7,000	\$0
Roth IRA Catch-up Contribution	\$1,000	\$1,000	\$0
SEP-IRA Contribution	\$69,000	\$70,000	\$1,000
SIMPLE IRA/SIMPLE 401(k) Contribution	\$16,000	\$16,500	\$500
SIMPLE IRA/SIMPLE 401(k) Catch-Up Contribution	\$3,500	\$3,500	\$0
HSA Contribution (single)	\$4,150	\$4,300	\$150
HSA Contribution (family)	\$8,300	\$8,550	\$250
Healthcare FSA Contribution	\$3,200	\$3,300	\$100

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Additional Details Regarding Contribution Saving Limits

2025 401(k) and 403(b) Employee Contribution Limit

The total employee contribution limit to all 401(k) and 403(b) plans for those under 50 will be going up from \$23,000 in 2024 to \$23,500 in 2025, a small increase. The catch-up contribution limit will be \$7,500, the same as 2024, so if you're 50-59, your 401(k) employee contribution limits will be \$31,000 in 2025. For employees aged 60, 61, 62 and 63, a higher catch-up contribution limit applies due to a change in the SECURE 2.0. For these employees, the catch-up contribution is \$11,250 instead of \$7,500.

2025 401(k)/403(b)/401(a) Total Contribution Limit

The total of all employee and employer contributions per employer will increase from \$69,000 in 2024 to \$70,000 in 2025 for those under 50. Since the catch-up contribution will stay the same at \$7,500, the total contribution for those 50-59 could be \$77,500 and for those 60, 61, 62, and 63 the total contribution could be \$81,250.

Note that the 401(a) limit is separate from the 403(b) limit. So, you could theoretically get \$70,000 into each of them.

2025 457(b) Contribution Limit

457(b) contribution limits will increase from \$23,000 to \$23,500 in 2025.

2025 Traditional and Roth IRA Contribution Limits

The IRA contribution limits and catch-up contributions will stay the same at \$7,000 in 2025. (\$8,000 if 50+).

2025 SEP IRA Contribution Limits

SEP-IRA contribution limits will increase to \$69,000 per year for 2024, up from \$70,000 per year in 2025. You can contribute up to \$70,000, provided your contributions do not exceed 25% of your pay.

2025 SIMPLE IRA and SIMPLE 401(k) Contribution Limits

The SIMPLE IRA and SIMPLE 401(k) contribution limits will increase from \$16,000 in 2024 to \$16,500 in 2025.

2025 Health Savings Account (HSA) Contribution Limits

For single people, the HSA contribution limit will increase from \$4,150 in 2024 to \$4,300 in 2025. Family coverage will increase from \$8,300 to \$8,550.

2025 Flexible Savings Account (FSA) Contribution Limits

Healthcare FSA contribution limits will increase from \$3,200 in 2024 to \$3,300 in 2025.

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Other Notable Increases

The 401(a) compensation limit (the amount of earned income that can be used to calculate retirement account contributions) will increase from \$345,000 in 2024 to \$350,000 in 2025. This is always 5X the maximum 401(k) plan total contribution limit.

The deductability phaseout for IRA contributions for those with a retirement plan at work should increase from \$77,000-\$87,000 in 2024 for singles to \$79,000-\$89,000 in 2025, and it'll move from \$123,000-\$143,000 in 2024 for those married filing jointly to \$126,000-\$146,000 in 2025.

The Roth IRA Direct Contribution Limit phaseout will increase from \$146,000-\$161,000 in 2024 for singles to \$150,000-\$165,000 in 2025 and from \$230,000-\$240,000 in 2024 for those Married Filing Jointly to \$236,000-\$246,000 in 2025. If your MAGI is above that, you'll need to contribute indirectly via the Backdoor Roth IRA process.

The Defined Benefit Plan 415(b) limit for maximum annuity limit will increase from \$275,000 in 2024 to \$280,000 in 2025.

Highly-compensated employee definition will increase from \$155,000 in 2024 to \$160,000 in 2025.

Sources: The IRS Website
<https://www.irs.gov/pub/irs-drop/n-24-80.pdf>
<https://www.irs.gov/pub/irs-drop/rp-24-25.pdf>
<https://www.irs.gov/newsroom/irs-releases-tax-inflation-adjustments-for-tax-year-2025>

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