



2026 Cost-of-Living Adjustments

Retirement Accounts

Workplace Retirement Plans	2026	2025	2024
Elective Deferrals: 401(k), 403(b), most 457 plans	\$24,500	\$23,500	\$23,000
Catch-Up Contributions			
• Age 50+	\$8,000	\$7,500	\$7,500
• Age 60 - 63	\$11,250	\$11,250	N/A
Puerto Rico Retirement Plans	2026	2025	2024
Elective Deferrals: 1081.01(d) / PR-Only Qualified plans	TBA	\$15,000	\$15,000
Catch-Up Contributions: 1081.01(d)/ PR-Only Qualified plans		\$1,500	\$1,500
Elective Deferrals: Dual-Qualified Plans & Federal Thrift Savings Plan	TBA	\$23,500	\$23,000
Catch-Up Contributions: Federal Thrift Savings Plan		\$7,500	\$7,500
Benefit Limits: US & Puerto Rico Retirement Plans	2026	2025	2024
Annual Contribution Limit	\$72,000	\$70,000	\$69,000
Highly Compensated Threshold	\$160,000	\$160,000	\$155,000
Annual Compensation Limit	\$360,000	\$350,000	\$345,000
Annual Benefit Limit	\$290,000	\$280,000	\$275,000
Traditional IRA	2026	2025	2024
Traditional IRA Regular Contribution Limit	\$7,500	\$7,000	\$7,000
Age 50 Catch-Up Limit for Traditional IRAs	\$1,100	\$1,000	\$1,000
AGI Phase-Out Ranges for Determining Traditional IRA Deductions for Active Participants:			
• Unmarried Taxpayers	\$81,000 - \$91,000	\$79,000 - \$89,000	\$77,000 - \$87,000
• Married Taxpayers filing joint returns	\$129,000 - \$149,000	\$126,000 - \$146,000	\$123,000 - \$143,000
• Married Taxpayers filing separate returns	\$0 - \$10,000	\$0 - \$10,000	\$0 - \$10,000
• Non-active Participant Spouse	\$242,000 - \$252,000	\$236,000 - \$246,000	\$230,000 - \$240,000
Roth IRA	2026	2025	2024
Roth IRA Regular Contribution Limit	\$7,500	\$7,000	\$7,000
Age 50 Catch-Up Limit for Roth IRAs	\$1,100	\$1,000	\$1,000
AGI Phase-Out Ranges for Determining Roth IRA Regular Contributions:			
• Unmarried Taxpayers	\$153,000 - \$168,000	\$150,000 - \$165,000	\$146,000 - \$161,000
• Married Taxpayers filing joint returns	\$242,000 - \$252,000	\$236,000 - \$246,000	\$230,000 - \$240,000
• Married Taxpayers filing separate returns	\$0 - \$10,000	\$0 - \$10,000	\$0 - \$10,000



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Health & Welfare Accounts

Flexible Spending Account (FSA)	2026	2025	2024
Employee Contribution Limit for Health & Limited FSA	\$3,400	\$3,300	\$3,200
Medical FSA Rollover	\$680	\$660	\$640
Dependent Care Assistance Account Employee Contribution Limit: - Single or married filing a joint return - Married filing a separate return	\$7,500 \$3,750	\$5,000 \$2,500	\$5,000 \$2,500
Monthly Limit for Parking/Transit & Vanpool	\$340/\$340	\$325/\$325	\$315/\$315
Health Savings Account (HSA)	2026	2025	2024
HSA Maximum Contribution: - Self - Only Coverage - Family Coverage	\$4,400 \$8,750	\$4,300 \$8,550	\$4,150 \$8,300
Age 55 HSA Catch-up Contribution	\$1,000	\$1,000	\$1,000
High-Deductible Health Plan (HDHP): - Annual Deductible-Single - Annual Deductible-Family - Maximum Out-of-Pocket-Single - Maximum Out-of-Pocket-Family	\$1,700 \$3,400 \$8,500 \$17,000	\$1,650 \$3,300 \$8,300 \$16,600	\$1,600 \$3,200 \$8,050 \$16,100

Elective Deferral Limit: maximum contribution that a participant can contribute to a Workplace Retirement Plan, such as a 401(k) or 403(b) plan.

For 1081.01(d)/PR-Only Qualified plans, the Elective Deferral Limit is the maximum pre-tax contribution permitted for plans qualified solely under Section 1081.01(d) of the Puerto Rico Internal Revenue Code. **For Puerto Rico participants in a Dual-Qualified plan,** the Elective Deferral Limit is \$20,000. Contributions exceeding this limit will be taxable to the participant.

Annual Benefit Limit: maximum annual benefit that can be paid to a participant (IRC section 415). Applied limit is the lesser of the dollar limit above **or** 100% of the participant's average compensation (generally the high three consecutive years of service). The participant compensation level is also subjected to the **Annual Compensation Limit**.

Annual Contribution Limit: maximum annual contribution amount that can be made to a participant's account (IRC section 415). Limit is expressed as the lesser of the dollar limit **or** 100% of the participant's compensation, applied to the combination of employee contributions, employer contributions, and forfeitures allocated to a participant's account.

Annual Compensation Limit: In calculating contribution allocations, a plan cannot consider any employee compensation in excess of this limit. In calculating certain nondiscrimination tests, all participant compensation is limited to this amount.

457 Deferral Limit: Similar restriction, applied to certain government plans (457 plans).

Highly Compensated Threshold (section 414(q)(1)(B)): minimum compensation level established to determine highly compensated employees for purposes of nondiscrimination testing.

Catch up Contributions: Under the Economic Growth and Tax Relief Act of 2001 (EGTRRA), certain individuals aged 50 or over can make catch up contributions. Beginning 2025, individuals aged 60 - 63 may make additional catch-up contributions due to SECURE 2.0 legislation, as determined at the plan level.



Questions? Let's talk.
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