

**2012 COST OF LIVING ADJUSTMENT TO DOLLAR LIMITS
UNDER EMPLOYEE BENEFIT PLANS**

Type of Limitation	2011	2012
Defined Contribution Plans (DC)	\$49,000	\$50,000
Defined Benefit Plans (DB)	\$195,000	\$200,000
Annual Compensation Limit	\$245,000	\$250,000
Elective Deferrals (401(k), 403(b) and 457(b)(2) and 457(c); not including catch-ups)	\$16,500	\$17,000
Catch-up Deferrals to 401(k), 403(b) or 457(b) ⁽¹⁾	\$5,500	\$5,500
Income Subject to Social Security Tax	\$106,800	\$110,100
SIMPLE Retirement Accounts Elective Deferrals	\$11,500	\$11,500
Catch-up Deferrals to SIMPLE Retirement Accounts ⁽¹⁾	\$2,500	\$2,500
Highly Compensated Employee	\$110,000	\$115,000
Key Employee (Officer)	\$160,000	\$165,000
Key Employee (1% or more owner)	\$150,000	\$150,000
Deductible Limit (DC) ⁽²⁾	25%	25%
Annual Additions Limit (DC) ⁽²⁾	100%	100%

(1) For Participants age 50 or older

(2) Calculated as a percentage of compensation