

## 2016 COLAs - IRS Cost of Living Adjustments

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The Internal Revenue Service has announced the 2016 cost of living adjustments to various limits. The adjusted amounts generally apply for plan years beginning in 2016. Some of the adjusted amounts, however, apply to calendar year 2016.

Employee Benefit Plans		
Plan Year	2016	2015
401(k), 403(b), 457 deferral limit	\$18,000	\$18,000
Catch-up contribution limit (age 50 or older by end of 2016)	\$6,000	\$6,000
Annual compensation limit	\$265,000	\$265,000
Annual benefits payable under defined benefit plans	\$210,000	\$210,000
Annual allocations to accounts in defined contribution plans	\$53,000 (but not more than 100% of compensation)	\$53,000 (but not more than 100% of compensation)

Highly compensated employee	Compensation more than \$120,000 in 2015 plan year	Compensation more than \$115,000 in 2014 plan year
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Health Savings Accounts		
Calendar Year	2016	2015
Maximum contribution <ul style="list-style-type: none"> <li>• Family</li> <li>• Self</li> </ul>	<ul style="list-style-type: none"> <li>• \$6,750</li> <li>• \$3,350</li> </ul>	<ul style="list-style-type: none"> <li>• \$6,650</li> <li>• \$3,350</li> </ul>
Catch-up contribution (participants who are 55 by end of year)	<ul style="list-style-type: none"> <li>• \$1,000</li> </ul>	<ul style="list-style-type: none"> <li>• \$1,000</li> </ul>
Minimum deductible <ul style="list-style-type: none"> <li>• Family</li> <li>• Self</li> </ul>	<ul style="list-style-type: none"> <li>• \$2,600</li> <li>• \$1,300</li> </ul>	<ul style="list-style-type: none"> <li>• \$2,600</li> <li>• \$1,300</li> </ul>
Maximum out-of-pocket <ul style="list-style-type: none"> <li>• Family</li> <li>• Self</li> </ul>	<ul style="list-style-type: none"> <li>• \$13,100</li> <li>• \$6,550</li> </ul>	<ul style="list-style-type: none"> <li>• \$12,900</li> <li>• \$6,450</li> </ul>

Social Security		
Calendar Year	2016	2015

Taxable wage base	\$118,500	\$118,500
Maximum earnings without loss of benefit		
<ul style="list-style-type: none"> <li>Under full retirement age</li> </ul>	<ul style="list-style-type: none"> <li>\$1,310/mo. (\$15,720/yr.)</li> </ul>	<ul style="list-style-type: none"> <li>\$1,310/mo. (\$15,720/yr.)</li> </ul>
<ul style="list-style-type: none"> <li>Year you reach full retirement age</li> </ul>	<ul style="list-style-type: none"> <li>\$3,490/mo. up to mo. of full retirement age (\$41,880/yr.)</li> </ul>	<ul style="list-style-type: none"> <li>\$3,490/mo. up to mo. of full retirement age (\$41,880/yr.)</li> </ul>

Social Security retirement age	
Year of Birth	Retirement Age
Prior to 1938	Age 65
1938	65 and 2 months
1939	65 and 4 months
1940	65 and 6 months
1941	65 and 8 months
1942	65 and 10 months
1943 - 1954	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months

1958	66 and 8 months
1959	66 and 10 months
1960 and later	67

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