

COMPLIANCE OVERVIEW

Provided by R&R Insurance Services

Employee Benefit Plan Limits for 2019

Many employee benefits are subject to **annual dollar limits** that are periodically updated for inflation by the IRS. The following commonly offered employee benefits are subject to inflation-adjusted dollar limits:

- High deductible health plans (HDHPs) and health savings accounts (HSAs);
- Health flexible spending accounts (FSAs);
- 401(k) plans; and
- Transportation fringe benefit plans.

The IRS typically announces the dollar limits that will apply for the next calendar year well in advance of the beginning of that year. This gives employers time to update their plan designs and make sure their plan administration will be consistent with the new limits.

This Compliance Overview includes a chart of the inflation-adjusted limits for 2019. Although some of the limits will remain the same, many of the limits increase for 2019.

LINKS AND RESOURCES

- [Revenue Procedure 2018-30](#), 2019 limits for HSAs and HDHPs
- [IRS Notice 2018-83](#), 2019 limits for retirement plans
- [Revenue Procedure 2018-57](#), 2019 limits for health FSAs and transportation fringe benefits

HIGHLIGHTS

INCREASED LIMITS

- HSA contribution limits for individuals with self-only or family coverage under an HDHP
- Employees' elective deferrals to 401(k) plans, pre-tax and Roth
- Health FSA limit for employee pre-tax contributions
- Monthly limits for transportation fringe benefit plans
- HDHP maximum out-of-pocket limits

UNCHANGED LIMITS

- Tax exclusion for dependent care FSA benefits
- Catch-up contributions to an HSA
- Catch-up contributions to a 401(k) plan
- HDHP minimum deductible limits

| Limit | 2018 | 2019 | Change |
|--|--|--|-----------------|
| HSA Contribution Limit | | | |
| Self-only | \$3,450 | \$3,500 | Up \$50 |
| Family | \$6,900 | \$7,000 | Up \$100 |
| Catch-up contributions* | \$1,000 | \$1,000 | No change |
| HDHP Minimum Deductible | | | |
| Self-only | \$1,350 | \$1,350 | No change |
| Family | \$2,700 | \$2,700 | No change |
| HDHP Out-of-pocket Maximum | | | |
| Self-only | \$6,650 | \$6,750 | Up \$100 |
| Family | \$13,300 | \$13,500 | Up \$200 |
| Health FSA | | | |
| Limit on employees' pre-tax contributions | \$2,650 | \$2,700 | Up \$50 |
| Dependent Care FSA* | | | |
| Tax exclusion | \$5,000 (\$2,500 if married and filing taxes separately) | \$5,000 (\$2,500 if married and filing taxes separately) | No change |
| Transportation Fringe Benefits (Monthly Limits) | | | |
| Transit pass and vanpooling (combined) | \$260 | \$265 | Up \$5 |
| Parking | \$260 | \$265 | Up \$5 |
| 401(k) Contributions | | | |
| Employee elective deferrals | \$18,500 | \$19,000 | Up \$500 |
| Catch-up contributions | \$6,000 | \$6,000 | No change |
| Adoption Assistance Benefits | | | |
| Tax exclusion | \$13,840 | \$14,080 | Up \$240 |

*Not subject to annual adjustment for inflation