

## **RETIREMENT PLAN LIMITS FOR 2007**

The annual defined contribution benefit limit increases from \$44,000 to \$45,000, and the annual compensation limit increases from \$220,000 to \$225,000 for 2007. The annual per participant limit on 401(k), 403(b) and 457(b) elective contributions increases from \$15,000 to \$15,500, however the maximum “catch-up” contributions for individuals age 50 and over stays at \$5,000. The limitation for the definition of “highly compensated employee” also remains unchanged for 2007 at \$100,000, and the annual compensation threshold for key employees increases to \$145,000 from \$140,000. The limit on the annual benefit payable under a defined benefit plan increases from \$175,000 to \$180,000.

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