



2009 Cost-of-Living Adjustments for Retirement Plans

The Internal Revenue Service recently announced the following retirement plan limits for 2009 (with cost-of-living adjustments). These limits are listed below with a comparison to the 2008 limit:

Dollar Limit	2009	2008
Defined Benefit Plan Benefit:* I.R.C. § 415(b)(1)(A)	\$195,000	\$185,000
Defined Contribution Plan: I.R.C. § 415(c)(1)(A)	\$49,000	\$46,000
401(k)/403(b) Elective Deferral: I.R.C. § 402(g)(1)	\$16,500	\$15,500
I.R.C. § 457(b) Deferred Compensation Plan: (State and Local Governments and Tax Exempt Organizations) I.R.C. § 457 (e)(15)	\$16,500	\$15,500
Age 50 or Older Catch-Up Contribution: I.R.C. § 414(v)(2)(B)(1)	\$5,500	\$5,000
Annual Compensation: I.R.C. §§ 401(a)(17) and 404(l)	\$245,000	\$230,000
Highly Compensated Employee: (compensation in the prior year in excess of:)	\$110,000 (for 2010)	\$105,000 (for 2009)
Top-Heavy Plan Key Employee: I.R.C. § 416(i)(1)(A)(i)	\$160,000	\$150,000

* For participants who separated from service before January 1, 2009, the high three year compensation limit under I.R.C. § 415(b)(1)(B) is computed by multiplying the participant's compensation limitation, as adjusted through 2008, by 1.0530.

For more information, please contact Haynes Benefits PC at 816-875-1919 or visit
www.haynesbenefits.com.