



IRS Limits 2010

WageWorks, formerly Creative Benefits, introduces to you the Internal Revenue Service (IRS) Cost-of-Living Adjustments (COLA) for 2010. The IRS has distributed these through IR-2009-94, Oct. 15, 2009 and are available at www.irs.gov/newsroom/article/0,,id=214321,00.html

IRS Category	2010	2009	2008	2007
Adoption Assistance Programs				
Amount excluded from an employee's gross income for the adoption of a child with special needs	\$12,170	\$12,150	\$11,650	\$11,390
The Adoption Assistance Credit begins to phase out if the modified adjusted gross income (MAGI) is between:	\$182,520 - \$222,520	\$182,180 - \$222,180	\$174,730 -\$214,730	\$170,820 - \$210,820
Commuter Accounts				
Transit and Vanpooling - Monthly Limit	\$230	\$120	\$115	\$110
Parking - Monthly Limit	\$230	\$230	\$220	\$215
Elective Deferral & Catch Up Limits				
Annual Compensation Cap	\$245,000	\$245,000	\$230,000	\$225,000
401(k), 403(b), 457 Maximum Contribution	\$16,500	\$16,500	\$15,500	\$15,500
401(k), 403(b), 457 Catch Up Contribution	\$5,500	\$5,500	\$5,000	\$5,000
401(k) IRA Simple Maximum Contribution	\$11,500	\$11,500	\$10,500	\$10,500
401(k) IRA Simple Catch Up Contribution	\$2,500	\$2,500	\$2,500	\$2,500
Indexed Compensation Levels				
Highly Compensated Employee Threshold	\$110,000	\$110,000	\$105,000	\$100,000
Key Employee - Officer	\$160,000	\$160,000	\$150,000	\$145,000
Key Employee - 1% Owner	\$150,000	\$150,000	\$150,000	\$150,000
Top Paid Group of 20%	\$110,000	\$110,000	\$105,000	\$100,000
Miscellaneous Limits				
Defined Benefit Limit	\$195,000	\$195,000	\$185,000	\$180,000
Defined Contribution Limit	\$49,000	\$49,000	\$46,000	\$45,000
SEP Minimum Compensation	\$550	\$550	\$500	\$500
SEP Maximum Compensation	\$245,000	\$245,000	\$230,000	\$225,000
409(o)(1)(C) ESOP Limits	\$985,000 \$195,000	\$985,000 \$195,000	\$935,000 \$185,000	\$915,000 \$180,000
1.61-21(f)(5)(i) Control Employee	\$95,000	\$95,000	\$90,000	\$90,000
1.61-21(f)(5)(iii) Control Employee	\$195,000	\$195,000	\$185,000	\$180,000
Social Security				
Taxable Wage Base	\$106,800	\$106,800	\$102,000	\$97,500
Combined Tax Rates (Social Security 6.2% applied up to the maximum taxable wage base plus Medicare 1.45% which is applied to all wages)	7.65%	7.65%	7.65%	7.65%

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