



Wilkes University

2021 RETIREMENT PLAN CONTRIBUTION LIMITS

The Internal Revenue Service announced the following dollar limitations for 403(b) plans for tax year 2021:

If you are under age 50, your annual maximum is \$19,500.

If you are 50 or over, your annual maximum is \$26,000.

These limits are unchanged from 2020.

Keep in mind the double-tax benefit of 403(b) contributions. First, all of your contributions go into the plan on a pre-tax basis (federal and most states) so your current tax bill will be reduced. Second, all plan accumulations grow tax deferred so any investment earnings are not eroded by current income taxes.