



Wilkes University

2020 RETIREMENT PLAN CONTRIBUTION LIMITS

The Internal Revenue Service announced the following dollar limitations for 403(b) plans for tax year 2020:

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

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

These limits have increased by \$500 from last year.

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.