

2021 IRS Contribution Limits

Retirement Plans	2020	2021
Limits on Contributions:		
Defined Contributions Plans	\$57,000	\$58,000
Defined Benefit Plans	\$230,000	\$230,000
401(k), 403(b), and most 457 plans	\$19,500	\$19,500
SIMPLE plan elective deferrals	\$13,500	\$13,500
IRA	\$6,000	\$6,000
Catch-Up Contributions (age 50 and older):		
401(k), 403(b), and most 457 plans	\$6,500	\$6,500
SIMPLE plans	\$3,000	\$3,000
IRA	\$1,000	\$1,000
Health Savings Account (HSA)		
	2020	2021
Individual Coverage Contributions	\$3,550	\$3,600
Family Coverage Contributions	\$7,100	\$7,200
Catch-Up Contributions (age 55 by December 31, 2021):		
<i>This amount is set by statute and is not subject to cost-of-living adjustments.</i>	\$1,000	\$1,000
Annual Gifting		
	2020	2021
Individual Annual Gift Exclusion	\$15,000	\$15,000
Married Couples Annual Gift Exclusion	\$30,000	\$30,000
Lifetime Gift Tax Exemption		
	2020	2021
Individual Federal Estate Tax Exemption	\$11.58 million	\$11.7 million
Married Couples Estate Tax Exemption	\$23.16 million	\$23.4 million
Social Security		
	2020	2021
Social security taxable wage base	\$137,700	\$142,800
Maximum earnings for individuals under normal retirement age before Social Security benefits	\$18,240	\$18,960
Maximum Social Security benefit at social security full retirement age	\$3,011	\$3,148
Required Minimum Distributions (RMDs)		
<p>In March, 2020, the CARES Act waived RMDs for the 2020 calendar year – including beneficiaries with inherited accounts, as well as people who turned 70½ in 2019 but waited to take their first distribution until 2020. RMDs are back in 2021. If you waived your RMD in 2020, you do not have to take a double RMD in 2021. If you turned age 70½ by the end of 2019, you should resume taking RMDs in 2021. If you had not turned age 70½ by the end of 2019, you are not required to take your first RMD until April 1 of the year after you turn age 72.</p>		

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