

5/04/2026

Employee Benefits Compliance

IRS Employee Benefit Limits

Throughout the year the IRS releases various Revenue Procedures adjusting certain tax and contribution limits for employer plans. The table below summarizes these and other key limits and increases for employee benefit plans and is updated as new information becomes available.

	TABLE OF LIMITS									
	2027	2026	2025	2024	2023	2022	2021	2020	2019	2018
H-FSA Salary Reduction Optional Carryover ^o		\$660 (CO into '26 PY)	\$3,300 \$640 (CO into '25 PY)	\$3,200 \$610 (CO into '24 PY)	\$3,050 \$570 (CO into '23 PY)	\$2,850 Unlimited [♦] (temporary)	\$2,750 \$550 Unlimited [♦]	\$2,750 \$500	\$2,700 \$500	\$2,650 \$500
HSA Contribution Self-Only Family 55+ Catch Up		\$4,400 \$8,750 \$1,000	\$4,300 \$8,550 \$1,000	\$4,150 \$8,300 \$1,000	\$3,850 \$7,750 \$1,000	\$3,650 \$7,300 \$1,000	\$3,600 \$7,200 \$1,000	\$3,550 \$7,100 \$1,000	\$3,500 \$7,000 \$1,000	\$3,450 \$6,900 \$1,000
HDHP Deductible Self-Only Family*		\$1,700 \$3,400	\$1,650 \$3,300	\$1,600 \$3,200	\$1,500 \$3,000	\$1,400 \$2,800	\$1,400 \$2,800	\$1,400 \$2,800	\$1,350 \$2,700	\$1,350 \$2,700
HDHP Out of Pocket** Self-Only Family		\$8,500 \$17,000	\$8,300 \$16,600	\$8,050 \$16,100	\$7,500 \$15,000	\$7,050 \$14,100	\$7,000 \$14,000	\$6,900 \$13,800	\$6,750 \$13,500	\$6,650 \$13,300
ACA Out of Pocket Self-Only*** Family	\$12,000 \$24,000	\$10,600 \$21,200	\$9,200 \$18,400	\$9,450 \$18,900	\$9,100 \$18,200	\$8,700 \$17,400	\$8,550 \$17,100	\$8,150 \$16,300	\$7,900 \$15,800	\$7,350 \$14,700
Pay or Play**** Part (a) Penalty Part (b) Penalty Unaffordability	\$3,780 \$5,670	\$3,340 \$5,010 9.96% household income	\$2,900 \$4,350 9.02% household income	\$2,970 \$4,460 8.39% household income	~\$2,880 ~\$4,320 9.12% household income	~\$2,750 ~\$4,120 \$9.61% household income	\$2,700 \$4,060 9.83% household income	\$2,570 \$3,860 9.78% household income	\$2,500 \$3,750 9.86% household income	\$2,320 \$3,480 9.56% household income
Parking and Transit		\$340/mo	\$325/mo	\$315/mo	\$300/mo	\$280/mo	\$270/mo	\$270/mo	\$265/mo	\$260/mo
Dependent Care CY General Limit Married Filing Separately		\$7,500 \$3,750	\$5,000 \$2,500	\$5,000 \$2,500	\$5,000 \$2,500	\$5,000 \$2,500	\$5,000 \$2,500 \$10,500 (temporary)	\$5,000 \$2,500	\$5,000 \$2,500	\$5,000 \$2,500

♦ COVID-19 Cafeteria Plan relief allowed unlimited carryovers from a plan year ending in 2020 to the plan year ending in 2021 and for plan years ending in 2021 to the plan year ending in 2022. Plan years beginning in 2022 can only carry over the limited amount to 2023 plan years.

◊ To limit COBRA complications employers can limit carryovers to employees that make an H-FSA election in the subsequent year and limit the carryover duration to one year.

* You cannot embed an individual deductible into a family plan that is less than the required family deductible.

** HSA compatible HDHPs are subject to both the HDHP and ACA OOP limit, meaning the lower of the two limits applies (the HDHP limit).

*** Self-only limit applies as embedded individual limit for those enrolled in family coverage

**** Annual penalty amount reflects 12-month total; penalties assessed monthly.

~ IRS to confirm.

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