

# HRS Insight

Human Resource Services

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## 2012 Employee Benefit Plan Limitations and Social Security Information

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The following charts set forth some of the more significant limitations for 2010, 2011 and 2012, as well as the tax rate and wage base used to compute FICA tax and Social Security benefit for those years, and Medicare cost-sharing information.

<b>Employee Benefit Plan Limitations</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
401(k) elective deferrals	\$ 16,500	\$ 16,500	\$ 17,000
403(b) salary reduction contributions	16,500	16,500	17,000
408(k) SEP elective deferrals	16,500	16,500	17,000
457 deferrals	16,500	16,500	17,000
Catch-up contributions to 401(k), 403(b), SEPs, and 457 plans	5,500	5,500	5,500
Elective contributions to SIMPLE plans	11,500	11,500	11,500
Catch-up contributions to SIMPLE plans	2,500	2,500	2,500
Annual limitation on compensation	245,000	245,000	250,000
Grandfathered limitation on compensation for governmental plans	360,000	360,000	375,000
Limitation on benefits under a defined benefit plan	195,000	195,000	200,000
Limitation on contributions to a defined contribution plan	49,000	49,000	50,000
Highly compensated employee limit	110,000	110,000	115,000
Key employee in top-heavy plan	160,000	160,000	165,000
Compensation limit for SEPs	550	550	550

<b>Medicare Information</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Part A inpatient hospital deductible	\$1,100	\$1,132	\$1,156
Part B deductible	155	162	140
Part B standard monthly premium	110.50	115.40	99.90



<b>Social Security Information</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
OASDI wage base	\$106,800	\$106,800	\$110,100
HI wage base	No limit	No limit	No limit
OASDI wage rate*	6.2%	6.2%	6.2%
HI wage rate	1.45%	1.45%	1.45%
Cost-of-living adjustment for benefit payments	0%	0%	3.6%
Maximum annual benefit for person at NRA assuming no earnings during year he reaches NRA	\$28,152	\$28,392	\$30,156
<b>Retirement earnings test exempt amounts**</b>			
Lower Amount			
Annual	\$14,160	\$14,160	\$14,640
Monthly	1,180	1,180	1,220
Higher Amount			
Annual	\$37,680	\$37,680	\$38,880
Monthly	3,140	3,140	3,240

<b>Health Savings Accounts</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
<b>Self-Only Coverage</b>			
HDHP minimum annual deductible	\$1,200	\$1,200	\$1,200
HDHP maximum annual out-of-pocket limit	5,950	5,950	6,050
Maximum HSA contribution limit	3,050	3,050	3,100
<b>Family Coverage</b>			
HDHP minimum annual deductible	\$2,400	\$2,400	\$2,400
HDHP maximum annual out-of-pocket limit	11,900	11,900	12,100
Maximum HSA contribution limit	6,150	6,150	6,250

<b>PBCG Information</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
<b>Maximum Guaranteed Benefit</b>			
Monthly	\$4,500	\$4,500	\$4,653.41
Annual	\$54,000	\$54,000	\$55,840.92
<b>Flat Rate Premium</b>			
Single Employer Plans	\$34	\$35	\$35
Multiemployer Plans	\$9	\$9	\$9

\*The Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 reduced the employee portion of the OASDI rate for 2011.

\*\*While the retirement earnings test was repealed for individuals above normal retirement age (NRA), (age 66 for those born between 1943 through 1954), Social Security continues to withhold benefits for individuals under NRA if earnings exceed the earnings test amount. One of two different limits applies depending on the year the individual attains NRA. The higher limit applies for the year in which an individual attains NRA, while the lower limit applies for individuals under NRA. Those under NRA will continue to lose \$1 of Social Security benefits for every \$2 earned in excess of the lower exempt amount. For the year in which an individual attains NRA, \$1 is withheld for every \$3 of earnings in excess of the higher exempt amount. Earnings in or after the month in which the individual attains NRA do not count toward the earnings test.

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