EGPS
ECONOMIC GROUP
PENSION SERVICES

401(k) Profit Sharing & Cash Balance Plan Contribution

Limits Plan Year: 01/01/2026 - 12/31/2026 for plans not-covered by PBGC

Age	Plan year compensation	Salary deferrals	Profit sharing contributions	Cash balance max lump sum contribution[1]	Employer total	Total with deferrals	Cash balance max deduction contribution[2]
36	$360,000	$24,500	$21,600	$107,000	$128,600	$153,100	$133,000
37	360,000	24,500	21,600	112,000	133,600	158,100	140,000
38	360,000	24,500	21,600	118,000	139,600	164,100	148,000
39	360,000	24,500	21,600	124,000	145,600	170,100	156,000
40	360,000	24,500	21,600	130,000	151,600	176,100	165,000
41	360,000	24,500	21,600	137,000	158,600	183,100	175,000
42	360,000	24,500	21,600	144,000	165,600	190,100	196,000
43	360,000	24,500	21,600	151,000	172,600	197,100	206,000
44	360,000	24,500	21,600	159,000	180,600	205,100	218,000
45	360,000	24,500	21,600	167,000	188,600	213,100	229,000
46	360,000	24,500	21,600	176,000	197,600	222,100	242,000
47	360,000	24,500	21,600	185,000	206,600	231,100	255,000
48	360,000	24,500	21,600	194,000	215,600	240,100	268,000
49	360,000	24,500	21,600	204,000	225,600	250,100	283,000
50	360,000	32,500	21,600	215,000	236,600	269,100	298,000
51	360,000	32,500	21,600	226,000	247,600	280,100	314,000
52	360,000	32,500	21,600	237,000	258,600	291,100	331,000
53	360,000	32,500	21,600	249,000	270,600	303,100	348,000
54	360,000	32,500	21,600	262,000	283,600	316,100	367,000
55	360,000	32,500	21,600	275,000	296,600	329,100	387,000
56	360,000	32,500	21,600	289,000	310,600	343,100	408,000
57	360,000	32,500	21,600	304,000	325,600	358,100	440,000
58	360,000	32,500	21,600	320,000	341,600	374,100	461,000
59	360,000	32,500	21,600	336,000	357,600	390,100	484,000
60	360,000	34,750	21,600	353,000	374,600	409,350	507,000
61	360,000	34,750	21,600	372,000	393,600	428,350	532,000
62	360,000	34,750	21,600	364,000	385,600	420,350	558,000
63	360,000	34,750	21,600	356,000	377,600	412,350	546,000
64	360,000	32,500	21,600	349,000	370,600	403,100	535,000
65	360,000	32,500	21,600	361,000	382,600	415,100	523,000
66	360,000	32,500	21,600	375,000	396,600	429,100	542,000
67	360,000	32,500	21,600	389,000	410,600	443,100	562,000
68	360,000	32,500	21,600	391,000	412,600	445,100	583,000
69	360,000	32,500	21,600	380,000	401,600	434,100	587,000
70	360,000	32,500	21,600	368,000	389,600	422,100	570,000
71	360,000	32,500	21,600	357,000	378,600	411,100	553,000

Notes

There are many variables that go into calculating a Cash Balance Plan (Defined Benefit) contribution amount. We have simplified these calculations into two categories to help you detemine what can be accomplished if you adopt a Cash Balance Plan.

1 - Maximum Lump Sum Contribution
In a Cash Balance Plan, the law sets limits on what can be distributed from the plan. These limits are based on your age, compensation level, and the number of years you have participated in the plan. The "Maximum Lump Sum" contribution is based on the amount that could be distributed after maintaining the plan for only one year. This contribution amount will always be distributable from the plan.

2 - Maximum Deduction Contribution
The law allows a Cash Balance Plan to be overfunded. In some cases, it may make sense to put more in than can be distributed immediately. The "Maximum Deduction" contribution is an estimate of the amount that could be contributed to the plan and deducted for tax purposes.