EGPS
ECONOMIC GROUP
PENSION SERVICES

401(k) Profit Sharing & Cash Balance Plan Contribution

Limits Plan Year: 01/01/2026 - 12/31/2026 for plans 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	$47,500	$107,000	$154,500	$179,000	$133,000
37	$360,000	24,500	47,500	112,000	159,500	184,000	140,000
38	$360,000	24,500	47,500	118,000	165,500	190,000	148,000
39	$360,000	24,500	47,500	124,000	171,500	196,000	156,000
40	$360,000	24,500	47,500	130,000	177,500	202,000	165,000
41	$360,000	24,500	47,500	137,000	184,500	209,000	175,000
42	$360,000	24,500	47,500	144,000	191,500	216,000	196,000
43	$360,000	24,500	47,500	151,000	198,500	223,000	206,000
44	$360,000	24,500	47,500	159,000	206,500	231,000	218,000
45	$360,000	24,500	47,500	167,000	214,500	239,000	229,000
46	$360,000	24,500	47,500	176,000	223,500	248,000	242,000
47	$360,000	24,500	47,500	185,000	232,500	257,000	255,000
48	$360,000	24,500	47,500	194,000	241,500	266,000	268,000
49	$360,000	24,500	47,500	204,000	251,500	276,000	283,000
50	$360,000	32,500	47,500	215,000	262,500	295,000	298,000
51	$360,000	32,500	47,500	226,000	273,500	306,000	314,000
52	$360,000	32,500	47,500	237,000	284,500	317,000	331,000
53	$360,000	32,500	47,500	249,000	296,500	329,000	348,000
54	$360,000	32,500	47,500	262,000	309,500	342,000	367,000
55	$360,000	32,500	47,500	275,000	322,500	355,000	387,000
56	$360,000	32,500	47,500	289,000	336,500	369,000	408,000
57	$360,000	32,500	47,500	304,000	351,500	384,000	440,000
58	$360,000	32,500	47,500	320,000	367,500	400,000	461,000
59	$360,000	32,500	47,500	336,000	383,500	416,000	484,000
60	$360,000	34,750	47,500	353,000	400,500	435,250	507,000
61	$360,000	34,750	47,500	372,000	419,500	454,250	532,000
62	$360,000	34,750	47,500	364,000	411,500	446,250	558,000
63	$360,000	34,750	47,500	356,000	403,500	438,250	546,000
64	$360,000	32,500	47,500	349,000	396,500	429,000	535,000
65	$360,000	32,500	47,500	361,000	408,500	441,000	523,000
66	$360,000	32,500	47,500	375,000	422,500	455,000	542,000
67	$360,000	32,500	47,500	389,000	436,500	469,000	562,000
68	$360,000	32,500	47,500	391,000	438,500	471,000	583,000
69	$360,000	32,500	47,500	380,000	427,500	460,000	587,000
70	$360,000	32,500	47,500	368,000	415,500	448,000	570,000
71	$360,000	32,500	47,500	357,000	404,500	437,000	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.