OMNI&TSACG Compliance Services
A DAYBRIGHT FINANCIAL COMPANY

PLAN SPONSOR GENERAL RELEASE

PLAN ADMINISTRATOR UPDATE

November 13, 2025

Maximum Allowable Contribution (MAC) Limits for 2026

Dear Plan Sponsor,

OMNI/TSACG is committed to providing our clients with the most current 403(b), 457(b), and 401(k) Plan information as it is released by the IRS. The latest IRS information concerning MAC limits indicates that the normal limit increases by $1,000 to $24,500 for calendar year 2026.

MAC Limits for 2026

- The normal calendar year limit for 403(b), 457(b) and 401(k) plans will increase by $1,000 to $24,500 for 2026.

- The age-based additional amount (age 50 by 12/31/2026) will increase by $500 to $8,000 for 2026.

    - For 2026, the higher catch-up contribution change made in the SECURE 2.0 Act of 2022 (a modification of the rules for participants utilizing the age 50 catch-up in 403(b) and 457(b) plans, which allows employees aged 60 to 63 to make a higher catch-up contribution of $11,250 instead of the regular age 50 catch-up amount for that year) remains unchanged.

    - The Social Security wage threshold for 2025, which is used to determine whether an individual's catch-up contributions to an applicable employer plan for 2026 must be designated as Roth contributions, is increased from $145,000 to $150,000.

Any other catch-up options that may be applicable to your Plan(s) remain unchanged.

Examples

All employees, regardless of age or years of service, may contribute up to $24,500 to their 403(b), 457(b) or 401(k) account in 2026. (The limit is coordinated for 403(b) and 401(k) accounts. 457(b) accounts are not coordinated with other plans.)

Employees who will attain age 50 by 12/31/2026 may contribute an additional $8,000 to 403(b), 457(b) and/or 401(k) accounts in 2026. (This limit is coordinated for 403(b) and 401(k) accounts.) Employees aged 60, 61, 62, and 63 may potentially make a higher catch-up contribution of $11,250. Current age 50 catch-up rules will still apply to those aged 50-59 and those 64 or older at the end of the calendar year.

IRC §415 Limit

The overall employee and employer contribution limit for 401(a), 401(k) and 403(b) plans increases to a total of $72,000 effective January 1, 2026. This overall defined contribution limit is of special importance to those plan sponsors with Special Pay Plans that are designed to accommodate accumulated leave payments.

If you have any questions, please contact our team at 1-877-544-6664 ext. 0..

Regards,

U.S. OMNI & TSACG Compliance Services