

Employee Benefit Plan Limits for 2025

Many employee benefits are subject to **annual dollar limits** that are adjusted for inflation by the IRS each year. The following commonly offered employee benefits are subject to these limits:

- High deductible health plans (HDHPs) and health savings accounts (HSAs);
- Health flexible spending accounts (FSAs);
- 401(k) plans; and
- Transportation fringe benefit plans.

The IRS typically announces the dollar limits that will apply for the next calendar year before the beginning of that year. This gives employers time to update their plan designs and make sure their plan administration is consistent with the new limits.

This Compliance Overview includes a chart of the inflation-adjusted limits for 2025. It also includes the 2024 limits for comparison purposes. **Most of these limits will increase for 2025.** Note that there are some benefit limits that are not indexed for inflation, such as the dependent care FSA limit and the catch-up contribution limit for HSAs.

Limit	2024	2025	Change
HSA Contribution Limit			
Self-only	\$4,150	\$4,300	Up \$150
Family	\$8,300	\$8,550	Up \$250
Catch-up contributions*	\$1,000	\$1,000	No change
HDHP Minimum Deductible			
Self-only	\$1,600	\$1,650	Up \$50
Family	\$3,200	\$3,300	Up \$100
HDHP Out-of-Pocket Maximum			
Self-only	\$8,050	\$8,300	Up \$250
Family	\$16,100	\$16,600	Up \$500
Health FSA			
Limit on employees' pre-tax contributions	\$3,200	\$3,300	Up \$100
Carryover limit	\$640	\$660	Up \$20
Dependent Care FSA*			
Tax exclusion	\$5,000 (\$2,500 if married and filing taxes separately)	\$5,000 (\$2,500 if married and filing taxes separately)	No change
Transportation Fringe Benefits (Monthly Limits)			
Transit pass and vanpooling (combined)	\$315	\$325	Up \$10
Parking	\$315	\$325	Up \$10
401(k) Contributions			
Employee elective deferrals	\$23,000	\$23,500	Up \$500

Limit	2024	2025	Change
Catch-up contributions	\$7,500	\$7,500 (\$11,250 for employees ages 60-63)	No change (except a higher limit applies for employees ages 60-63 starting in 2025)
Limit on total contributions	\$69,000	\$70,000	Up \$1,000
Adoptions Assistance Benefits			
Tax exclusion	\$16,810	\$17,280	Up \$470

*Limits that are not adjusted for inflation

LINKS AND RESOURCES

- [IRS Revenue Procedure 2024-25](#): 2025 limits for HSAs and HDHPs
- [IRS Notice 2024-80](#): 2025 limits for retirement plans
- [IRS Revenue Procedure 2024-40](#): 2025 limits for health FSAs, adoption assistance and transportation fringe benefits

Provided to you by Ollis/Akers/Arney Human Resources Consulting

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