



**BENEFITS
ADMINISTRATION**

TO: Faculty and Staff of The Claremont Colleges
FROM: TCCS Benefits Administration
DATE: November 12, 2019
SUBJECT: 2020 Cost-of-Living Adjustments Announced for Retirement Plans

The Internal Revenue Service (IRS) has announced the 2020 cost-of-living adjustments for retirement plans. The new limits applicable to retirement plans are listed in the table below.

PLEASE NOTE:

If you are currently making “15 Years of Service Catch Up Contributions” to the Academic Retirement Plan (ARP), this contribution must be renewed each year. All other ARP contributions, including any "Age 50+ Catch Up Contributions", will carry over into 2020. You can update your ARP contribution rate by completing and returning an ARP Salary Reduction Agreement, or submitting changes through Workday.

IRS Retirement Plan Limit	2020	2019
Elective Deferrals	\$ 19,500	\$ 19,000
Age 50+ Catch Up Contributions	\$ 6,500	\$ 6,000
15 Years of Service Catch Up Contributions	\$ 3,000	\$ 3,000
Defined Contribution Limit	\$ 57,000	\$ 56,000
Annual Compensation Limit	\$ 285,000	\$ 280,000
Social Security Taxable Wage Base	\$ 137,700	\$ 132,900

For more information about the 2020 retirement plan limits and making adjustments to your ARP contributions, please contact Victor Medina, Retirement Analyst, at (909) 607-7641 or by email at victor.medina@claremont.edu