



2023 COMPLIANCE: A QUICK REFERENCE GUIDE

2023 FEDERAL LIMITS

Social Security Wage Base Changes

The Social Security Administration (SSA) announced that the 2023 Social Security wage base will rise to \$160,200, a \$13,200 increase from the \$147,000 wage base in 2022. The Social Security tax rate will remain at 6.2%. The maximum Social Security tax employees and employers will each pay in 2023 is \$9,932.40, up from \$9,114.00 in 2022.

There is no limit to wages subject to Medicare tax. Both the employee and the employer Medicare tax rate for 2023 will remain at 1.45%. Employers are required to withhold an additional 0.9% in Medicare taxes on wages earned by employees in excess of \$200,000 in a calendar year. Employers are not required to match this 2.35% employee rate but will continue to pay 1.45% in Medicare taxes on all subject wages earned by employees.

For a copy of the SSA Fact Sheet, [click here](#).

Pension and Benefit Contribution Limits

The 2023 limits on the exclusion for elective deferrals for 401(k), 403(b), and most 457 plans will increase to \$22,500, up from \$20,500. The catch-up contribution for employees ages 50 and older will increase to \$7,500, up from \$6,500.

The 2023 monthly limit for the qualified transportation fringe benefits and for qualified parking will increase to \$300, up from \$280. The 2023 health flexible-spending arrangement limit will increase to \$3,050, up from \$2,850.

Health Savings Account Limits

HSA contribution limit

(employer + employee)

HSA catch-up contributions

HDHP minimum deductibles

HDHP maximum out-of-pocket amounts

(deductibles, co-payments, and other amounts, but not premiums)

	2023	2022	Change
HSA contribution limit	Self-only: \$3,850	Self-only: \$3,650	Self-only: +\$200
	Family: \$7,750	Family: \$7,300	Family: +\$450
HSA catch-up contributions	\$1,000	\$1,000	N/A
HDHP minimum deductibles	Self-only: \$1,500	Self-only: \$1,400	Self-only: +\$100
	Family: \$3,000	Family: \$2,800	Family: +\$200
HDHP maximum out-of-pocket amounts	Self-only: \$7,500	Self-only: \$7,050	Self-only: +\$450
	Family: \$15,000	Family: \$14,100	Family: +900