

2009 Limits for Transportation and Cafeteria Plans

November 6, 2008

In October, the IRS issued Revenue Procedure 2008-66 and News Release 2008-118, which make cost-of-living adjustments for various employer-sponsored benefit plans.

For cafeteria plan nondiscrimination testing purposes, the definitions of highly compensated employee (\$105,000 to \$110,000) and key employee (\$150,000 to \$160,000) will increase in 2009. The News Release containing these definitions is located on the [IRS website](#).

In 2009, the monthly Transportation Plan limit for combined qualified transit and vanpooling expenses will be \$120, up from \$115 in 2008. The monthly Transportation Plan limit for parking will increase from \$220 to \$230. The [Revenue Procedure](#) containing these increases is located on the [IRS website](#).

Finally, in related news, the Social Security Administration announced that the Social Security maximum taxable earnings will increase in 2009 from \$102,000 to \$106,800. A copy of the [SSA Fact Sheet](#) is located on the [Social Security Administration website](#)