

What's Changed in 2025?



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Rule changes, reminders and new offerings are always important, but even more so when you or your firm are planning out how best to allocate your capital. This is a list of some of the major changes and reminders we've outlined for our clients in 2025, check them out below:

Employer Sponsored Plans

401K & 403(b) Auto-Enrollment and Escalation Requirement:

- Plans established post-SECURE Act 2.0 (December 29th, 2022) **MUST** automatically enroll all of their eligible employees at a contribution rate between 3 - 10% of their stated salary
- Additionally, plans **MUST** automatically escalate contributions by 1% per year until reaching a predetermined rate set by the employer, between 10 - 15%
- Exemptions:
 - New companies that have been in operation < 3 years OR businesses with < 11 employees
 - Employers with a plan created prior to the SECURE Act 2.0 (December 29th, 2022)

401K & 403(b) Auto-Enrollment and Escalation Requirement:

- Plans established by 01/01/25 **MUST** enroll part-time workers with 500 hours worked over 2 consecutive years

Benchmarking Your Company Sponsored Retirement Plan:

- When offering a 401K plan you are the plan sponsor, as part of those duties you have due diligence to perform and thus conducting this benchmarking should be done **annually**
- Comparing plan fees, participant fees, plan details, service offerings, investment expenses, and investment options will aid in the competitiveness and value your plan provides

Individuals

RMD Age:

- Changed to 73 from 72, changing to 75 in 2033

Roth/Traditional IRA Income Limit:

- For max contribution, \$150,000 for single filers & \$236,000 for married filing jointly

2025 Contribution Limits:

- **HSA:** Increased to \$4,300 - Single & \$8,550 - Family / **FSA:** Increased to \$3,300
- **SEP IRA:** Increased to \$70,000 / **Solo 401Ks:** Increased to \$23,500 EE & \$70,000 total

Lost Retirement Accounts

The SECURE Act 2.0 set forth a Retirement Savings Lost and Found Database with the EBSA to allow American works the ability to search for retirement plans that may still owe them benefits. The DOL launched the portal in Nov. 2024 and is now available for us at **Login.gov**