

## Internal Revenue Code Section 415(b) Fact Sheet

### Internal Revenue Code Section 415(b) – Defined Benefit Dollar Limit

Internal Revenue Code (IRC) Section 415(b) limits an individual's pension benefit amount. An individual's pension benefit amount is limited to the lesser of the OPERS benefit calculation or the IRC 415(b) limit. Only the portion of the pension benefit amount attributable to employer contributions as well as picked up employee contributions is compared to the limits under IRC 415(b).

The IRC 415(b) limit affecting public employees is the Dollar Limit. **The Dollar Limit for 2026 is \$290,000.** Under the Dollar Limit, which is adjusted based on age, the portion of the benefit amount attributable to employer contributions and picked up employee contributions may not exceed the dollar amounts for 2026, shown on the next page.

Only a small number of OPERS members are affected by the IRC 415(b) limit, which is indexed annually. Please contact OPERS for a determination of how IRC 415(b) may affect your retirement benefit.

For members impacted by the limit, OPERS has received approval from the Internal Revenue Service for its qualified excess benefit arrangement (QEBA). The QEBA permits payment of the portion of the OPERS pension benefit amount that exceeds the IRC 415(b) limit.

### Internal Revenue Code Section 401(a)(17) – Compensation Limit

There is also a Federal limitation on compensation. The compensation limit (established by IRC section 401(a)(17)) is the amount beyond which no further retirement contributions may be deducted from an employee's earnable salary for a given year. This limit applies to all OPERS members, regardless of their retirement plan enrollment.

The 2026 compensation limits are:

**\$360,000** for employees or elected officials establishing OPERS membership on or after Jan. 1, 1994.

**\$535,000** for employees or elected officials establishing OPERS membership prior to Jan. 1, 1994. This limit is applied regardless of whether there has been a break in service or an account refund for previous service.

These limits are indexed annually.

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Retirement Age	Public Plan General Members	Public Plan Police and Fire Members
35	54,806	290,000
36	57,881	290,000
37	61,148	290,000
38	64,619	290,000
39	68,310	290,000
40	72,238	290,000
41	76,421	290,000
42	80,878	290,000
43	85,632	290,000
44	90,708	290,000
45	96,131	290,000
46	101,930	290,000
47	108,140	290,000
48	114,795	290,000
49	121,938	290,000
50	129,611	290,000
51	137,867	290,000
52	146,762	290,000
53	156,359	290,000
54	166,731	290,000
55	177,959	290,000
56	190,133	290,000
57	203,359	290,000
58	217,752	290,000
59	233,447	290,000
60	250,597	290,000
61	269,381	290,000
62	290,000	290,000
63	290,000	290,000
64	290,000	290,000
65 or older	290,000	\$290,000