



Annual Inflation and Mileage Update 2024

The IRS makes adjustments annually for certain tax items that are required to be inflation-adjusted. The tables below provide the inflation-adjusted amounts for 2024 that are most relevant to nonprofit organizations.

Standard Auto Mileage Rate	
Business	67 ¢ per mile
Medical (and moving for certain members of the Armed Forces)	21 ¢ per mile
Charitable	14 ¢ per mile

Exclusion amounts for “token” premiums that can be disregarded for purposes of quid pro quo contributions

Fair market value of all items received by donor does not exceed the lesser of \$132 or 2% of the contribution amount, or

The payment to the charity is \$66 or more, the premiums sent in the connection with the contribution bear the charity’s name or logo, and the cost to the charity of all such items sent to a single donor during a one-year period does not exceed \$13.20.

Limits on employee salary deferrals for 401(k) and 403(b)

Individuals born after 1974	\$23,000
Individuals born before 1975	\$30,500

Note that some of the amounts listed above will be significantly affected in future years due to the passage of the SECURE 2.0 Act of 2022.

Social Security Wage Base	Foreign earned income exclusion for individuals working abroad
\$168,600	\$126,500

Level of compensation causing a nonprofit employee to be considered “highly compensated” for purposes of certain qualified benefit plans*

\$155,000

* The compensation used in determining whether an individual is highly compensated for this purpose is that of the prior year. Thus, the amount above is the threshold of compensation paid to an employee in 2024 that, if exceeded, will cause the employee to be considered a highly compensated employee in 2025. (A person is considered a highly compensated employee in 2024 if they received more than \$150,000 of compensation in 2023.) The definition of “compensation” varies depending on the specific circumstances, but it generally does not include a validly designed clergy housing allowance within allowable limits.

Annual Cap on deductible payins to health savings accounts (HSAs)	
Single coverage	\$4,150
Family coverage	\$8,300
HSA owners born before 1970	\$1,000 more than the amounts listed
Monthly parking value exclusion (qualified transportation fringe benefit)	
\$315	
Qualified Charitable Distributions	
Annual limit on tax-free qualified charitable distributions (QCD) from traditional Individual Retirement Accounts (IRAs) for individuals 70½ and older	\$105,000
Limit on a one-time QCD from a traditional IRA to a charitable gift annuity or charitable remainder trust <i>(While not completely clear, it appears that the one-time distribution is counted as a part of the annual QCD limit noted above. We expect that the IRS will release guidance that clarifies this point.)</i>	\$53,000

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