

## Appendix C: Maximum Annual Compensation

[A.R.S. § 38-746](#) and Internal Revenue Code Section 401(a)(17) limit the annual compensation that may be taken into account under the ASRS for any fiscal year.

Fiscal Year (Membership Before 7/1/1996)	Annual Limit	Fiscal Year (Membership Beginning 7/1/1996)	Annual Limit
1995-1996	\$245,000	1995-1996	\$170,000
1996-1997	\$250,000	1996-1997	\$170,000
1997-1998	\$260,000	1997-1998	\$170,000
1998-1999	\$265,000	1998-1999	\$170,000
1999-2000	\$270,000	1999-2000	\$170,000
2000-2001	\$275,000	2000-2001	\$170,000
2001-2002	\$285,000	2001-2002	\$200,000
2002-2003	\$295,000	2002-2003	\$200,000
2003-2004	\$300,000	2003-2004	\$200,000
2004-2005	\$305,000	2004-2005	\$205,000
2005-2006	\$315,000	2005-2006	\$210,000
2006-2007	\$325,000	2006-2007	\$220,000
2007-2008	\$335,000	2007-2008	\$225,000
2008-2009	\$345,000	2008-2009	\$230,000
2009-2010	\$360,000	2009-2010	\$245,000
2010-2011	\$360,000	2010-2011	\$245,000
2011-2012	\$360,000	2011-2012	\$245,000
2012-2013	\$375,000	2012-2013	\$250,000
2013-2014	\$380,000	2013-2014	\$255,000
2014-2015	\$385,000	2014-2015	\$260,000
2015-2016	\$395,000	2015-2016	\$265,000
2016-2017	\$395,000	2016-2017	\$265,000
2017-2018	\$400,000	2017-2018	\$270,000
2018-2019	\$405,000	2018-2019	\$275,000
2019-2020	\$415,000	2019-2020	\$280,000
2020-2021	\$425,000	2020-2021	\$285,000

The U.S. Secretary of the Treasury indexes the annual maximum to changes in the consumer price index, and, therefore, will change the maximum periodically. A payment in excess of the maximum allowable compensation amount is not compensation for retirement. The ASRS will return contributions received on such excess amounts to the employer.