



Year End Checklist



Legacy Retirement Solutions, LLC

P.O. Box 1215
Brookhaven, PA 19015

Phone: 484-483-1044
Fax: 484-361-4800

E-mail: marketing@legacysllc.com

December 31st Plan Year End Checklist

- Minimum Required Distributions**
 - Distribution must occur prior to December 31st for the following employees:
 - Terminated employee over age 70 ½ with an account balance, or 5% Owner over age 70 ½ regardless of employment status, or Active employees over age 70 ½ have the option to take the distribution or defer it until they terminate employment
 - An employee that turns 70 ½ during the year may elect to defer his or her first distribution until April 15th of the next calendar year and will be required to take the second distribution by December 31st.
- Qualified Default Investment Alternative (QDIA) Notice:**
 - If a plan uses a QDIA for its default fund, an annual notice must be provided to all participants and beneficiaries on whose behalf investment in a QDIA may be made. Generally, this would include all participants and beneficiaries who have not made an affirmative investment election with respect to any portion of their account.
- Traditional 401(k) Safe-Harbor Notice:**
 - Plans that intend to take advantage of the safe harbor relief from non-discrimination testing available under IRC §401(k)(12) , must send a notice to all eligible employees.
- Qualified Automatic Contribution Arrangement (QACA) Notice:**
 - Automatic enrollment plans that intend to take advantage of the safe-harbor relief from non-discrimination testing available under IRC §401(k)(13) must provide notice to all eligible employees.
- Eligible Automatic Contribution Arrangement (EACA) Notice:**
 - Automatic enrollment plans that intend to utilize the 90-day permissible withdrawal feature, or want to take advantage of the extension of time for making corrective distributions, must provide notice to all eligible employees.
- Automatic Enrollment Notice:**
 - Plans that intend to utilize an automatic enrollment feature but that are not designed as an EACA or QACA should provide an annual notice to all eligible employees.
- Nondiscrimination Testing**
 - If your plan fails its ADP or ACP test, refunds are due by March 15th to avoid any excise taxes. If refunds are not issued by March 15th, a 10% excise penalty is imposed. Any correction action must be completed by December 31st to stay compliant. If your plan has a history of failing these tests or has received failing midyear results, consider suspending highly compensated employees deferrals for November and/or December.
- Form 5500**
 - Without an extension being filed, the Form must be signed and filed by July 31st, (i.e., 7 months after your plan year-end). With extension filed prior to July 31st, the Form must be signed and filed by October 15th. Plans with 100 or more participants must obtain an independent audit and attach the auditor's report to the 5500 filing.
- Contribution Funding Deadlines**
 - Defined benefit and money purchase plans due by September 15th. Annual employer contributions to a defined contribution plan are due by March 15th or with an extension, by September 15th.
- Form 1099-R**
 - For any distribution that occurred in the prior calendar year, 1099-R forms are due to participants by January 31st.

IRS Annual Benefit Plan Limits

<u>Item</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
401(k) Annual Limit (402(g)) (can be up to 92% of pay)	\$ 17,500	\$ 17,500	\$ 17,000
Defined Contribution Plan Maximum Annual Contribution	\$ 52,000	\$ 51,000	\$ 50,000
Maximum Compensation Limit	\$ 260,000	\$ 255,000	\$ 250,000
Maximum Salary for Highly Compensated Employees	\$ 115,000	\$ 115,000	\$ 115,000
Social Security Wage Base	\$ 117,000	\$ 113,700	\$ 110,100
Catch-up for 401(k), 403(b), SARSEP, and 457	\$ 5,500	\$ 5,500	\$ 5,500
SIMPLE Deferrals	\$ 12,000	\$ 12,000	\$ 11,500
Catch-up for SIMPLE Plans	\$ 2,500	\$ 2,500	\$ 2,500
457 Deferral Limit	\$ 17,500	\$ 17,000	\$ 17,000
Defined Benefit Plan Maximum Annual Benefit	\$ 210,000	\$ 205,000	\$ 200,000



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