



## PENSION STRATEGIES

QUALIFIED PLAN DESIGN & ADMINISTRATION

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### Upcoming Deadlines

**April 15th, 2013**

Individual income tax returns and LLC/partnership returns are due on April 15th.

Remember that to be able to take the retirement plan deduction for 2012 the plan contribution must be made to the plan by the time for filing the tax return. That is April 15th for many calendar year returns UNLESS the plan sponsor extends its return.



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## Strategic Update

*Ideas, news and tips from Pension Strategies*

April 2013

### ADP Planning for 2013

With the 2012 401(k) Average Deferral Percentage test behind you, it's time to look ahead to 2013. Being proactive is a good way to set expectations and ensure you optimize your 401k plan. Some popular options to consider are:

- Contact your investment professional to talk to your employees and increase their awareness of your 401k plan options.
- Consider auto-enrollment for participants who make no election then are automatically enrolled in the 401k plan with a 2% or 3% contribution level.
- Have Pension Strategies prepare an ADP test projection before year end so you can make adjustments to the HCE contribution levels.
- Consider amending your plan to utilize the ADP results for the prior year or limit the contribution amounts for your HCE. These options may prevent refunds.
- Consider matching contributions as a monetary incentive for employees to contribute more to their 401k plan.
- Safe harbor contributions allow your plan to pass the ADP test automatically. It's either a matching contribution or a 3% non-elective contribution to all eligible employees.

Special timing requirements may apply, so please contact our office to discuss any of these options in more detail. Our ongoing commitment to our clients allows us to provide re-design consulting studies to you at no additional charge. Please contact your Retirement Plan Specialist today to discuss your objectives and let us know how we can help.

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### Alert: New IRS Error Regulations

New IRS regulations allow self correction on several types of plan operational errors that previously required IRS approval. The new regulations save time and eliminate the IRS correction penalty fee for those situations.

Contact Pension Strategies if you would like additional information about these new regulations.



## Pension Strategies News



Congratulations to Mallory Young. Mallory has been promoted to Senior Pension Consultant with our Dallas office. Many of you have worked with Mallory in her role as a retirement plan specialist for defined benefit plans. Mallory will help you design a retirement plan to custom fit your client's needs.

Please let us know if you would like us to address any topics in upcoming issues of Strategic Update. We're here to be your best resource in the Retirement Planning industry.

**Sincerely,**

Jack Lawless, CPA, APM

Pam Johnson, QPA, CPC

Jill Hastings, JD

David Schattenberg, APA, Senior Consultant

Mallory Young, Senior Consultant

***And the entire Pension Strategies team***