



PENSION STRATEGIES

QUALIFIED PLAN DESIGN & ADMINISTRATION

Strategic Update

Ideas, news and tips from Pension Strategies

July 2014

PPA Restatement Overview

Qualified plans have a written plan document that outlines the way the retirement plan operates, contribution levels, and all of the available plan features. Every four or five years the Internal Revenue Service (IRS) requires companies to completely re-write their plan document to reflect the cumulative regulatory and legislative changes since the last update. We refer to this as a plan document "restatement". The last mandatory plan restatement cycle for Defined Contribution (DC) Plans started in 2008.

TPA firms are gearing up for the latest IRS mandate requiring every DC plan to be restated to incorporate regulatory law changes occurring since 2006. This restatement process is being referred to as a "PPA Restatement", which stands for the Pension Protection Act (PPA) of 2006. Companies that sponsor a DC plan such as a 401(k), profit sharing, money purchase, or 403(b) plan fall into this category.

This restatement process is an ideal time to incorporate any changes to improve our clients' current plan design. Changes could include adding or removing a feature, or change the method used to allocate a profit sharing contribution. Pension Strategies will send each DC client a personalized letter that will invite a discussion about plans and possible modifications. We'll also outline the process, the timeline and the cost.

Please watch your mail for this correspondence and be thinking about any improvements you'd like to discuss with us. DC plans have maximum contribution limits of \$52,000. As the economy continues to improve, we are finding many clients are in a financial position to increase their annual contribution level and allow for greater tax savings in the process. There are many pension strategies we can incorporate to meet our clients ever-changing needs.

If you would like some additional information on this subject, the link below can guide you through frequently asked questions (FAQ) about the PPA process.

[FAQ for PPA Process \(click for link\)](#)

UPCOMING DEADLINES

July 31st

All variations of Form 5500 are due for plans with calendar

Alert: Electronic Delivery of Documents and Reports

year-ends, unless the filing date is extended to October 15th.

However, for extended deadlines forms are still due by the time for filing the sponsor company's income tax return including extensions but no later than September 15th.



This year Pension Strategies implemented a new phase in our paperless office initiative. We can now deliver all your documents and reports efficiently and securely through our Sharefile system. But, we need your approval before we can implement the process. We had a great response to our recently mailed authorization requests. However, some of you missed that first opportunity. Therefore, we are providing another opportunity to participate and save all that paper. Simply click on the link below to authorize your paperless option. Then fax or e-mail the document back to us.

About Pension Strategies

[Join Our Mailing List!](#)

[Yes, sign me up for paperless!](#)

Buck-a-Jeans Day

Fridays are casual at Pension Strategies. We wear jeans, wrap up projects and get set for the weekend of activities with family and friends. Recently, we started adding a buy-in casual day just before a long holiday called "Buck-a-Jeans." For a one dollar donation to charity, employees can wear jeans on Friday. Thanks to Robin Wright in our office for creating this fun program.



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,

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And the entire Pension Strategies team