



PENSION STRATEGIES

QUALIFIED PLAN DESIGN & ADMINISTRATION

Strategic Update

Ideas, news and tips from Pension Strategies

April 2015

ADP Planning for 2015

With the 2014 401(k) Average Deferral Percentage (ADP) testing behind you, it's time to look ahead to 2015. Being proactive is a good way to set expectations and ensure you optimize your 401(k) plan. Some popular options to consider are:



- Ask your investment professional to talk to your employees and increase their awareness about your 401k plan options.
- Consider auto-enrollment for participants who make no election, then are automatically enrolled in the 401(k) 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 Highly Compensated Employee (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 401(k) 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.

UPCOMING DEADLINES

April 1, 2015
Required Minimum Distribution Beginning Date for participants attaining age 70 ½ during

Alert: \$500 New Plan Tax Credit

2014.

April 15, 2015

Individual income tax returns and LLC/partnership returns are due.

Remember your contribution to retirement plans must be made by the time you file your company tax return. If you need more time, ask your tax return preparer to extend your filing deadline.

About Pension Strategies

Join Our Mailing List!



If you started a new plan in the last three years, remind your CPA to see if you qualify for a tax credit. The credit is up to 50% of the cost to set up and administer your plan, with a maximum of \$500 for the first three years.

There are a few rules such as you must have 100 employees or fewer and have a least one non-highly compensated participant. Your CPA can use Form 8881 Credit for Small Employer Pension Plan Startup Costs.

Evolving Pension Strategies

Plan sponsors today face more challenges and more opportunities than ever before. Proper retirement plan design plays a fundamental role in the on-going success of your retirement plan.

At Pension Strategies, we are constantly working with our clients and service partners to identify and develop emerging retirement plan strategies. 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.

Contact Pension Strategies at: news@pensionstrategies.com.

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