



# PENSION STRATEGIES

QUALIFIED PLAN DESIGN & ADMINISTRATION

Strategic Update: Ideas, news and tips from Pension Strategies  
November 2016

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## IRS Announces Contribution and Benefit Limits

The IRS has released 2017 limits for contributions and benefits. Defined benefit and defined contribution plan contributions could increase in 2017 depending on the terms of your plan and individual contribution objectives. Here are some highlights:

Type of Limitation	2017	2016
401(k), 403(b) and most 457 Plans Maximum Annual Elective Deferral Limit	\$18,000	\$18,000
401(k), 403(b), and most 457 plans Catch-up Contribution Limit for individuals aged 50 or over	\$6,000	\$6,000
Defined Contribution Plan Annual Limit	Lesser of: \$54,000, or 100% of compensation	Lesser of: \$53,000, or 100% of compensation
Defined Benefit Plan Annual Benefit Limit under section 415	\$215,000	\$210,000
Annual Allowable Compensation Limit for deduction, benefit and contribution purposes	\$270,000	\$265,000

For more specific information on pension plan limits check the [IRS web site](#).

## ALERT:



Pension Benefit Guaranty Corporation  
A U.S. Government Agency

Effective for the 2017 premium year, Defined Benefit Plans subject to Pension Benefit Guaranty Corporation [PBGC] insurance will see an increase in premiums. Here's what you need to know:

- The rates are increasing from \$64 per participant to \$69 per participant
- The rate per \$1,000 of unfunded vested benefits is \$34, up from \$30.
- Defined benefit plans covering only substantial owners are exempt from PBGC coverage as are professional service companies that sponsor defined benefit plans with fewer than 25 participants.
- The due date for the 2017 premium payments is October 15, 2017 for an ongoing calendar year end plan.

For more information, check the [PBGC web site](#).

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### Upcoming Deadlines

#### November or December 2016

2016 fee disclosure notice for 401k plan participants are due in November or December 2016 for most clients. Annual notices are provided the same month each year.

#### December 1st

2017 Safe Harbor Notice distribution deadline.

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### Happy Birthday to Us!

Pension Strategies recently celebrated another year of serving our wonderful clients. Thanks to all of you. We'll save you some cake!



[Learn more about Pension Strategies](#)

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  
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Jill Hastings, JD  
David Schattenberg, APA, Managing Director  
Mallory Young, Senior Consultant  
And the entire Pension Strategies team

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