

RETIREMENT PLAN NEWS FOR 2019

- 1) Following are cost of living adjustments relating to Retirement Plans for 2019:
 - Profit Sharing and Money Purchase Plans individual limit is \$56,000
 - Defined Benefit Plan annual benefit limit is \$225,000
 - Annual compensation limit for plan purpose is \$280,000
 - Employee elective deferral limit to 401(k) plans is \$19,000
(Please be sure to deposit employee money as soon as administratively feasible after it's withheld, but no later than 7days)
 - Catch up contributions for those age 50 or over in a 401(k) plan is \$6,000
 - The dollar limit used to define a Highly Compensated Employee is \$125,000
 - The maximum Social Security Wage Base is \$132,900

- 2) **Fee Disclosure** - Just a reminder that if you have a 401(k), a Profit Sharing or a Money Purchase Pension Plan, AND that plan has the investments selected by the participants, then the annual fee disclosures must be made to the eligible participants by the year end. The fee disclosure notices are all available on the website of your investment provider (i.e. Transamerica, John Hancock, The Principal, American Funds etc.). If you aren't using one provider, then the fee disclosure you should hand out is the same one we sent to you previously.

- 3) **Defined Benefit Pension Plan Restatements** – Defined Benefit Plans must be restated by April 30, 2020. The restatements are required by the IRS to keep your plan in tax qualified status. The restatement incorporates changes in legislation over the past 6 years. We will contact you in 2019 to begin the plan restatement process. Please contact your plan administrator should you wish to incorporate and revisions to your plan. The fee for restating the plan documents is \$1,500.00.