

HICKS NOTES

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October 2013

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DON'T MISS OUR WEBINARS

We are excited to be able to provide 3 hours of free continuing education credit for CPAs and CFPs at this year's webinars. Why waste time driving and sitting through the same tired presentations? Webinars are convenient, easy and are presented in the comfort of your home or office.

Three different subjects will be covered over the next few weeks. We will teach you about Defined Contribution Plans and 401(k) Rules in course one. This is perfect for those who want to keep up on plan basics, new limits and issues that have arisen over the last few years. This knowledge will help you market or service clients.

The second course is a Defined Benefit and Cross Testing Review. This will show you how these plans work to maximize contributions for owners while keeping costs in line for the employees, and help clients reduce their taxes. Anybody in the tax planning field will benefit from this knowledge.

The third course covers Fiduciary Issues and Legal Review. Items to be discussed include: Disclosure regulations, Fiduciary types and procedures to protect Trustees as well as the new DOMA rules. Understanding these rules will make you a better advisor to all retirement plan trustees. We will also be available to answer any questions you may have on these subjects.

[Click here](#) to view the INVITATION and then click on the dates you wish to attend. It will be time well spent, we promise.

IRS PUBLISHES A 401(k) PLAN CHECKLIST AND FIX-IT GUIDE FOR EMPLOYERS. YOU SHOULD USE IT!

Keeping a 401(k) plan in compliance can be a complicated and confusing process. By knowing what's "material" to the IRS will help simplify and clarify what's important to make sure you do. The IRS has published a checklist and fix-it guide to help sponsors self check their compliance. [401\(k\) Checklist](#)

10 questions Plan Sponsors need to ask themselves are:

1. Has your plan been updated within the last few years?
2. Are the plans operations based on the terms of the plan document?
3. Is the plan's definition of compensation for all deferrals and allocations used correctly?
4. Were the employer matching contributions made to all appropriate employees under the terms of the plan?
5. Has the plan satisfied the 401(k) non-discrimination tests (ADP and ACP)?

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6. Were all eligible employees identified and given the opportunity to make elective deferral election?
7. Are elective deferrals limited to amounts under IRC §402(g) for the calendar year?
8. Have you timely deposited employee elective deferrals?
9. Do participant loans conform to the requirements of the plan document and IRC §72(p)?
10. Were hardship distributions made properly?

There is a brief explanation and link of (more) after each question. As the named Plan Administrator, it is important for plan sponsors to know that these areas are important and should focus on these issues first.

Within the FIX-It GUIDE is a chart of 80 pages of mistakes, how to spot them and the appropriate method for fixing them. Now, more than ever it is important to use professionals for the administration of your plans. Have questions or need help? We are here for you.

SAFE HARBOR NOTICE DEADLINES APPROACH AND MUST NOT BE OVERLOOKED

401(k) Safe Harbor plans require annual notices that must be delivered to participants for the 2014 year. While we provide these notices automatically to our clients annually, others may not.

The 3 percent "MAYBE" notice tells non-safe harbor plan participants that their employer MAY be putting in 3 percent of compensation to satisfy a safe harbor contribution for 2014. This notice is due December 1st 2013 and is recommended for all non-safe harbor 401(k) plans planning on making employer contributions of at least 3%. This gives the employer options should they have a profitable year in 2014.

The MATCH NOTICE is required for matching safe harbor plans for 2014. It is due December 1st also and reminds employees of their opportunity to enroll for a January 1st start date.

An AMENDMENT and notice is required for an employer who wants to amend a non-safe harbor to a safe harbor for 2014 or vice versa. This decision needs to be made, amendment prepared and notice given by December 1st 2013.

BOTTOM LINE: If you are thinking about changing your plan for next year, now is the time. If business conditions or employees statuses have changed, now is the time to take a look at your plan and its objectives. Contact us and we can help!

Call or email us with any questions or pension administration needs.