

# HICKS NOTES

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October 2015

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## YEAR END DEADLINES REQUIRE ACTION BY EVERYONE

As 2015 comes to a close, Plan Sponsors, Advisors and Administrators all have important roles to play as they prepare for the 2015 year end and the beginning of the 2016 new plan year.

**For Plan Sponsors**, they should make sure they are running the plan in accordance to their documents. Have all loan payments been made and properly documented? Have the Safe Harbor notices due December 1<sup>st</sup> been prepared and are ready for distribution? Maybe a preliminary ADP test needs to be run for non-Safe Harbor plans. Have plan sponsors performed their fiduciary 403(b) work by reviewing the investments, benchmarking the results and documenting their process?

Do they have a large group of employees becoming eligible for 2016 and want to change their plan design to help with containing costs? Maybe they want an amendment to the plan effective for the 2016 plan year which needs to be done before the end of this year. Bottom line, now is the time to review the past year and plan for next year. As their Advisor, it's your job to help remind them of these issues.

**For Administrators**, we are busy running year end tests, preparing notices and amendments and gearing up for the year end accounting, discrimination tests and 5500 preparation. We will remind our clients of the issues facing them and try to get them to act.

**For Investment Advisors**, now is a great time to market new 401(k) Plans for 2016 plan years. Matching safe harbor may be a great solution for those already in SIMPLE plans. This plan

design will put the employer essentially on the same financial commitment for employees while getting larger benefits for themselves. Any clients running a SEP may also be a great prospect for a safe harbor plan as new employees are becoming eligible in 2016.

You should also be enrolling any new participants who are becoming eligible for the 2016 plan year. Employee meetings are a great way to see your clients and bring value as you review investment options and enroll new participants.

For your **owner-only clients**, you should be talking about [Solo 401\(k\)](#) or [Defined Benefit Plan](#) for 2015. These plans can give these clients larger deductions but must be in place by December 31, 2015. Contact your CPA referrals and clients and make sure they are reviewed before the end of the year. For a proposal and other information, [click here](#).

We continue to wait on the outcomes of the new fiduciary rules as they are being debated in Congress and elsewhere. For a review of the proposed rules, [click here](#). We will keep you informed as the rules are finalized.

Finally, we are presenting our annual CE webinars for anybody who wants to learn more about how these plans work and the issues surrounding them. CFP @s and CPAs can earn up to 3 free hour of continuing education credit by attending. [Click here](#) for the Invitation.

It is a busy time of the year and it's our job to review 2015 and prepare for 2016. As always, we want to be your resource for all your pension needs. Contact us today!