

# OUTLINE

## 401(k) PROFIT SHARING PLAN

(For plan years beginning in 2019)

**401(k) / Roth**  
 100% up to \$19,000  
 (age 50 - \$6,000 catch-up)

**MATCH**  
 Limit combined with  
 Profit Sharing

**PROFIT SHARING**  
 0-25%  
 eligible compensation

**ADP TEST**  
 Usually NHC avg. + 2% = HC max avg.

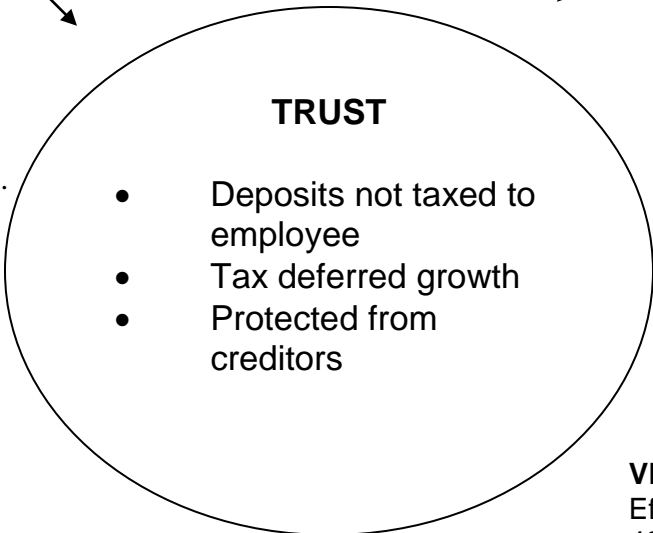
NHC %  
 5  
 10  
 0  
 5  
 5% avg. + 2% = 7% max HC avg.

Prior yr. method on first plan yr.  
 3% assump. + 2% = 5%

**TOP-HEAVY TEST**  
 Keys own 60% of trust  
 May require 3% PS contrib.

**SAFE HARBOR**  
 Auto. pass ADP and top-heavy test  
 100% vested / includes term. emp. / exist 90 days

- 1) 3% PS contrib.
- 2) Match roughly \$1 for \$1 up to 4% pay (6% max)
- 3) Auto Enroll with 3½% match (vesting)



**ALLOCATION**  
 Proportional  
 SS Integration  
 New Comparability

**ELIGIBILITY**  
 Age 21  
 1 yr.  
 1,000 hrs. yr.  
 Union emp.  
 30% NHC job class

**VESTING**  
 Effec. DOH or plan start  
 401(k) – 100%  
 PS / Match - usually:  
 0 – 20 – 40 – 60 – 80 - 100%

**INDIVIDUAL LIMIT**  
 100% up to \$56,000  
 (\$62,000 if age 50)

**COMPENSATION LIMIT**  
 \$280,000