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# ADVANTAGE



2018 ANNUAL PLAN DEADLINES

 PENTEGRA

## 2018 ANNUAL PLAN DEADLINES

| Task/Responsibility   | Deadline  |
|---|---|
| <b>Contribution Remittance</b>  |   |
| Remit Employee Contributions and loan repayments in accordance with ERISA's earliest date standard.   | As soon as administratively possible but in no event later than 15 business days following the month in which the contribution was deducted (the "earliest date standard").   |
| <b>Employer Match</b>   |   |
|   | Payroll Periods - As directed by the plan document, but not later than the employer's tax return filing date (plus extensions) for the plan year the match applies to.<br><br>Annual - By the employer's tax return filing date (plus extensions).              |
| <b>Safe Harbor Employer Match</b>   |   |
|   | Payroll Period - The match on any elective deferral made during a plan year quarter must be contributed to the plan by the last day of the immediately following plan year quarter.<br><br>Annual - By the employer's tax return filing date (plus extensions). |
| <b>Safe Harbor 3% Non-Elective Contribution</b>   |   |
|   | By the employer's tax return filing date (plus extensions).   |
| <b>Employer Annual Profit Sharing</b>   |   |
|   | By the employer's tax return filing date (plus extensions).   |
| <b>True-Up of Employer Matching or Profit Sharing Contribution when made based on annual compensation but contributed periodically during the Plan Year</b> |   |
|   | By the employer's tax return filing date (plus extensions).   |



| Task/Responsibility  | Deadline   |
|--|--|
| <b>Annual Compensation Limit</b>   |  |
| The limit on compensation used to calculate contributions for the 2018 plan year is \$275,000. | Employee contributions based on amounts in excess of the limit must be returned and any employer contributions must be forfeited before testing for the plan year is done.   |
| <b>Forfeiture Account Use</b>  |  |
| Forfeitures may be used to pay for employer contributions or plan expenses.                    | Forfeitures, in general, should be used or allocated in the plan year incurred and not carried over for use in a subsequent plan year.   |
| <b>Participant Notices</b>   |  |
| Safe Harbor ADP/ACP Notice   | <p>Initial Notice - For newly eligible employees no later than the eligibility date and no earlier than 90 days prior to the eligibility date.</p> <p>Annual Notice - No earlier than 90 days and no later than 30 days before the start of each plan year to which the safe harbor rules will apply.</p>  |
| <b>Eligible Automatic Contribution Arrangement (EACA)</b>                                      |  |
|  | Initial Notice - For newly eligible employees, no earlier than 90 days before the employee's eligibility date, and no later than the employee's eligibility date or, as soon as practicable, but prior to the pay date of the pay period in which the employee is first eligible. The employee must have reasonable time after receiving the notice to opt out or elect a different deferral percentage. |

| Task/Responsibility   | Deadline   |
|---|--|
| Participant Notices (con't)   |  |
| <b>Qualified Automatic Contribution Arrangement (QACA)</b><br>(See QPN 2009-4 for more details) |  |
|   | <p>Initial Notice—As soon as administratively possible but no later than eligible employees' eligibility date and no earlier than 90 days prior to the eligibility date. The notice must be furnished sufficiently early so the employee has a reasonable period of time after receipt of the notice to make an alternate election under the plan.</p> <p>Annual Notice - Same as ADP/ACP Safe Harbor.</p>   |
| <b>Automatic Contribution Arrangement (ACA)</b>   |  |
|   | <p>Initial Notice - The employee must receive notice of the availability of the election to receive the amount in cash or have it contributed by the employer to the plan, within a reasonable period, before the date on which the cash is currently available. The time period must allow the participant an effective opportunity to make an election.</p> <p>Annual Notice - A reasonable time period of at least 30 days before the start of the plan year.</p> |
| <b>Qualified Default Investment Alternative (QDIA)</b>  |  |
|   | <p>Initial Notice - A reasonable time period of at least 30 days before plan eligibility or at least 30 days before the first default investment.</p> <p>Annual Notice - A reasonable period of time at least 30 days before the start of the plan year.</p>   |



| Task/Responsibility   | Deadline  |
|---|---|
| <b>Participant Notices (con't)</b>  |   |
| <b>Participant Fee Disclosure</b>   |   |
|   | <p>Initial Notice- On or before the date the participant is eligible to direct investments for the first time and on an annual basis thereafter.</p> <p>Annually - At least once in each 12-month period.</p> |
| <b>Notice of Changes to Plan-Related Disclosures</b>  |   |
| <p>Any change (not just a material change) to the plan-related disclosures must be furnished directly to participants.</p>  | <p>Not less than 30 days and not more than 90 days before the effective date of the change.</p>   |
| <b>Notice of Changes to Investment-Related Disclosures</b>  |   |
| <p>Changes to investment-related disclosures are not required to be furnished directly to participants, but must be reflected on the required website where detailed investment-related information is made available</p> | <p>The website must be updated as soon as reasonably possible, but at least quarterly.</p>  |
| <b>Participant Statements</b>   |   |
| <p>Provide to each participant a statement that includes the dollar amount and description of any plan or individual expenses actually charged to his/her account during the preceding quarter.</p>                       | <p>Quarterly - Participants must receive a quarterly statement reporting any amounts actually charged to his/her account in the prior quarter.</p>  |

## Task/Responsibility

## Deadline

### Sponsor Fee Disclosure

Changes to the required disclosure information must be reported to the plan fiduciary.

Service provider must furnish this disclosure to the plan's fiduciaries reasonably in advance of the date the contract or arrangement is entered into.

Changes to Investment-Related Disclosures - Not later than annually.

Changes to All Other Disclosures - As soon as practicable, but not later than 60 days from the date the service provider knows of the changes.



| Task/Responsibility   | Deadline   |
|---|--|
| <b>Annual Nondiscrimination Compliance Testing</b>  |  |
| <p><b>ADP/ACP Testing</b><br/>The amount of contributions made to a plan cannot discriminate in favor of highly compensated employees.</p>  | If the plan fails testing, excess amounts must be distributed within 2 1/2 months after plan year end to avoid the 10% excise tax.   |
| <b>ADP/ACP Testing for EACAs</b>  |  |
| ADP/ACP testing for a plan with an EACA provision that covers all eligible employees.   | If the plan fails testing, excess amounts must be distributed within 6 months after plan year end to avoid the 10% excise tax.   |
| <b>415 Annual Additions Testing</b>   |  |
| Total contributions cannot exceed the lesser of 100% of compensation or \$55,000 for the 2018 limitation year.  | Must be monitored ongoing. If the test fails excess deferrals or after tax contributions are returned and excess employer contributions are forfeited or held in a suspense account, as directed by the plan document.   |
| <b>Top Heavy Testing</b>  |  |
| Key employees' assets must not exceed 60% of total plan assets. Top Heavy testing does not apply to Safe Harbor ADP/ACP Plans or to QACAs if the Safe Harbor contribution is the only employer contribution made to the plan. | Test is performed at the start of the plan year using account balances on the last day of the testing year. If failed, the plan is Top Heavy for the following plan year and an additional employer contribution may be required. Generally, the additional contributions should be made no later than the employer's tax filing date (plus extensions) for the Top Heavy plan year. |
| <b>410 (b) Coverage Testing</b>   |  |
| Requires that the classification of employees covered by a plan does not discriminate in favor of highly compensated employees.   | Coverage requirements must be satisfied at least annually as of the last day of the plan year using the annual testing option (as opposed to the daily or quarterly testing options). A failed test must be corrected within 9 1/2 months after the end of the plan year.  |
| <b>Deferral Limit</b>   |  |
| Elective Deferral Limit is \$18,500 for 2018.   | Return excess deferrals plus income deferra thereto by April 15th following the close of the taxable year of the deferral.   |

| Task/Responsibility   | Deadline  |
|---|---|
| <b>Required Minimum Distributions (RMDs)</b>  |   |
| Initial Payment   | April 1st of the calendar year following the later of (a) the calendar year in which the employee attains age 70 <sup>1/2</sup> , or (b) the calendar year in which the employee retires from the employer (unless otherwise directed by the plan documents). |
| Ongoing Payments  | By December 31st of each subsequent calendar year.  |
| <b>Involuntary Distributions/Mandatory Rollover</b>   |   |
| Applies to plans that provide for the involuntary distribution of the accounts of terminated participants with a vested account balance of \$5,000 or less (plan may choose a lower threshold). | As soon as practicable but at least once each plan year unless the plan document or procedures provide for more frequent distributions. Requires mandatory rollover of certain account balances when specific direction is not provided by the participant.   |
| <b>Form 5500 Annual Information Returns</b>   |   |
|   | Due 7 months after plan year end without extension.<br><br>Due 10 1/2 months after plan year end when extension (Form 5558) is filed.   |
| <b>Summary Annual Report (SAR)</b>  |   |
|   | Distribute to participants within 9 months after the end of the plan year to which it applies, or 11 months if extension (Form 5558) is filed.  |



## Task/Responsibility

## Deadline

### Summary of Material Modifications (SMM)

Distribute to participants within 210 days after the end of the plan year in which the change is effective.

### Summary Plan Description (SPD)

Distribute 90 days after participant becomes eligible; every 5 years if plan is amended; every 10 years if plan is not amended.

## Pentegra 2018 Compliance Calendar

January

Census data provided to Pentegra for compliance testing no later than January 31st  
Jan 31st—Form 1099-R due to participants who received distributions during the prior year

February

Feb 28th—Form 1099 due to IRS, if filing by paper

March

Mar 15th—Refund excess contributions for failed ADP/ACP testing  
Mar 15th—File corporate tax return and contribution deadline for deductibility (without extension). Deadline for requesting automatic extension to Sept 15th for corporate tax returns  
Mar 31st—Form 1099 due to IRS, if filing electronically

April

Apr 1st — Required beginning date for RMDs for terminated vested participants or more than 5% owner who attained age 70½ in prior year  
Apr 15th—Refund excess deferrals above 402(g) limit

June

Jun 30th—Corrective distributions for failed ADP/ACP testing for plans with EACA without 10% excise tax



July

July 31st—Deadline to electronically sign Form 5500 or file Form 5558 Application for Extension

September

Sept 30th—Deadline to distribute SAR to participants, unless extension was filed

October

Oct 15th—Final deadline to electronically sign Form 5500 with extension.

December

Dec 1st—Deadline to distribute the following notices:

1. Safe Harbor
2. QDIA
3. Automatic Contribution Arrangement
4. Annual Participant Fee Disclosure

Dec 15th—Extended deadline to distribute SAR to participants

Dec 31st —RMD for 2018, for applicable participants over age 70 ½

Compliance Calendar is assuming plan year end of December 31st.

## ANNUAL LIMITATIONS FOR 2018

| Plan Limits for Year              | 2018      | 2017      |
|-----------------------------------|-----------|-----------|
| 401(k) Elective Deferrals         | \$18,500  | \$18,000  |
| Catch-Up Contribution Limit       | \$6,000   | \$6,000   |
| Annual Defined Contribution Limit | \$55,000  | \$54,000  |
| Annual Compensation Limit         | \$275,000 | \$270,000 |
| Highly Compensated Employees      | \$220,000 | \$215,000 |
| Key Employees                     | \$175,000 | \$175,000 |
| <i>Related Limits</i>             |           |           |
| 403(b)/457 Elective Deferrals     | \$18,500  | \$18,000  |
| SIMPLE Employee Deferrals         | \$12,500  | \$12,500  |
| SIMPLE Catch-Up Deferral          | \$3,000   | \$3,000   |
| SEP Minimum Compensation          | \$600     | \$600     |
| SEP Annual Compensation Limit     | \$275,000 | \$270,000 |
| Social Security Wage Base         | \$128,400 | \$127,200 |



For more information on Pentegra's plan compliance services,  
contact us at 800-872-3473,  
or visit us at [www.pentegra.com](http://www.pentegra.com).

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2 Enterprise Drive, Suite 408 Shelton, CT 06484-4694 800-872-3473 tel 203-925-0674 fax [www.pentegra.com](http://www.pentegra.com)



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