

# The PRS Report

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ISSUE 3

DECEMBER  
2018

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COMING SOON

THANK YOU

NEW ADDRESS  
FOR PRS

CLIENT  
REFERRAL  
PROGRAM:

If a client you recommend to us becomes our client, you can receive a 10% discount on annual services for every year they remain a client



## 2019 Pension Plan Limits

The Internal Revenue Service and the Social Security Administration have recently announced the 2019 Pension Plan cost-of-living increases. For your convenience and reference, they are listed below, along with the 2018 limits, which are shown for comparison purposes.

	ITEM	2019	2018
1.	Maximum contribution to a 401(k) Plan	\$ 19,000	\$ 18,500
2.	Additional 401(k) Plan Catch-Up Contribution (for participants age 50 and over)	6,000	6,000
3.	Maximum Profit Sharing Plan contribution for a participant*	56,000	55,000
4.	Maximum 401(k) and Profit Sharing Plan contributions for a participant age 50 or older*	62,000	61,000
5.	Maximum Defined Benefit Pension Plan Benefit (Dollar Limit payable at ages 62 to 65)	225,000	220,000
6.	Maximum compensation that can be used for Plan purposes	280,000	275,000
7.	Highly Compensated Employee Compensation Threshold	125,000	120,000
8.	Social Security Taxable Wage Base	\$ 132,900	\$ 128,400

\* Please note that the defined benefit contribution may be higher than the maximum profit sharing and 401(k) amounts shown above. Please contact us if you want to contribute more than these amounts.

## 2019 Pension Plan Limits

(continued)

As part of the services we provide, we will automatically incorporate any applicable cost-of-living increases when we prepare your 2018 valuation. These changes may increase the contributions to your company's Plans. In addition, they may also help employers increase the contribution for the principals relative to the other plan participants. Do not hesitate to contact us if you would like to change (either increase or decrease) your 2018 contribution or if you have any questions. The earlier we know, the more alternatives that may be available. Let us know what you want.

## Important Reminder for 401(k) Plan Sponsors



401(k) Plan Sponsors must give participants the opportunity to change their elections at least once a year. Therefore, it is a good idea to distribute election forms every December (for calendar-year plans) to all eligible employees whether they currently make 401(k) contributions to the Plan or not. Particularly for those employees currently not contributing to the Plan, it is important to get back a signed and completed election form showing the non-election choice. Plan Sponsors should keep these election forms on file. In case of a plan audit, not having election forms for a plan with either minimal participation or only owner participation will raise all sorts of red flags.

If a participant elects to make 401(k) contributions, you should coordinate the participant's election with your payroll provider and establish an account with the Trust for the participant's 401(k) contribution deducted from payroll. By non-highly compensated participants contributing more in 401(k), non-discrimination test results will improve, thereby possibly enabling the company to save money in employer contributions.

## Data Packages Coming Soon

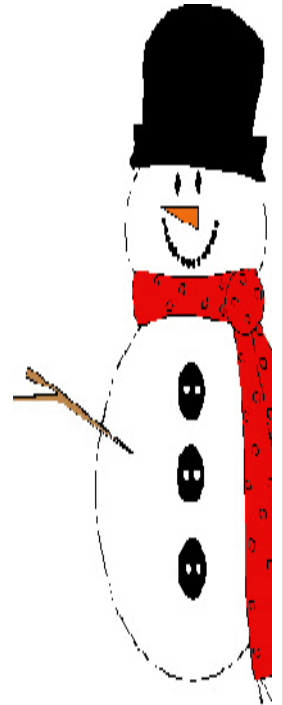


Just to remind you that we will begin uploading calendar year plan Data Packages to your ShareFile portal on January 4, 2019. You will receive a notification via email that the package is available. Please open up the Instructions to view your deadlines. The packages for non-Safe Harbor 401(k) Plans need to be returned to us by the end of January so that ADP testing can be done.

## Thank You

A number of clients have complimented us on the quality of our services. If you are pleased with our services, please recommend us to your friends and associates. If you are unhappy with a service that we have provided, then it is important that you let us know so that we can correct the problem and improve our services. We look forward to your input, appreciate your referrals and welcome new clients.

Thank you for giving us the opportunity to provide services on your behalf. May 2019 be even better than 2018, and may you, your staff and your family enjoy a happy, healthy and prosperous 2019.



**WE'RE MOVING . . . . .**

**as of December 31, 2018 our address will be:**

**Pension Review Services  
500 Bi-County Boulevard, Suite 115  
Farmingdale, NY 11735**

**Phone: (631) 465-0850 Fax: (631) 465-0855**

**[www.pensionreviewservices.com](http://www.pensionreviewservices.com)  
email: [info@pensionreviewservices.com](mailto:info@pensionreviewservices.com)**

***(phone / fax / all emails remain unchanged)***