



Retirement Plan News - April 2018

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General Items

[Five Retirement Plan Changes That Employers Should Consider](#) -- Abstract: As with most components of a successful business, staying up-to-date on new developments as a means of remaining competitive -- in this case, attracting and retaining employees -- can make a huge difference. So, what should a business owner be thinking about when it comes to the company's retirement plans? Here are five ideas to consider. Source: 401khelpcenter.com

[401k Catch-Up Contributions and How They Work](#) -- Abstract: For employees who have attained their 49th birthday by December 31 of the previous year, an additional "catch-up" contribution for the calendar year may be made. The catch-up limit is subject to annual Cost of Living adjustments. For 2018, the calendar year limit is \$6,000. The catch-up limit applies not only to the Section 402(g) limit, but also to any other limit imposed by the Plan or the IRC. Source: Qbillc.com

[Target, Microsoft Lead Move Away From 401k Stock Investments](#) -- Abstract: Verizon, Target, Comcast, and Microsoft are among the growing number of public companies rethinking the wisdom behind offering their own stock as an investment option in their workers' 401k plans. In the last five years, some of the country's largest employers have taken steps to reduce or eliminate the company stock held in their retirement plans, according to securities filings reviewed by Bloomberg Law. Source: Bna.com (registration may be required)

Fiduciary and Plan Governance

[401k Fiduciaries: Is It Time to Hone Your Processes?](#) -- Abstract: Three key areas of vulnerability arise from last year's ERISA litigation. This article discusses these vulnerabilities in detail and suggest ways plan fiduciaries can defend against them and reduce their exposure to liability. Source: Fiduciaryplangovernance.com

Insight: Studies, Research, and White Papers

[More Employers Are Upgrading Their DC Plans](#) -- Abstract: Employers are upgrading their defined contribution plans according to a Willis Towers Watson. WTW found that more employers are adding automatic enrollment and Roth plan features to their 401k plans, increasing their contributions, reducing the number of investment choices and being more transparent about recordkeeping fees. Source: Hrdive.com

[PSCA Study Finds Roth Usage Doubled in Past Decade](#) -- Abstract: Roth availability doubled in the last decade according to the Plan Sponsor Council of America's 60th Annual Survey of Profit Sharing and 401k Plans. PSCA, part of the American Retirement Association, found Roth was offered in 63.1 percent of plans in 2016 compared to 30.3 percent in 2007. Source: 401khelpcenter.com

[Conflicting Views on Americans' Retirement Prospects: Workers Confident, Employers Concerned](#) -- Abstract: Strong market performance has helped fuel increasing optimism among American workers about their retirement prospects, but many employers don't share their upbeat view, according to the latest DC Pulse Survey from BlackRock. Source: Businesswire.com

[Retirement Saving Focus Especially Needed for Latino Women](#) -- Abstract: Researchers at the University of Notre Dame, in a study funded by the National Endowment for Financial Education say Latinas -- Hispanic women -- have a

huge appetite for financial education and a strong desire to save, and their savings could provide a critical safety net to America's largest minority group. Source: Plansponsor.com

[DB Plan Performance Still Ahead, but DC Plans Catching Up](#) -- Abstract: While many would argue that comparing the returns of DB and DC plans is not an apples-to-apples analysis, a new report examines the plan performance gains that DC plans have made against DB plans. Source: Asppa.org

Compliance and Regulatory Related

[Fifth Circuit Strikes Down DOL Fiduciary Rule](#) -- Abstract: The Fifth Circuit on March 15 vacated DOL regulations that redefined the circumstances in which a person who provides invest. advice in connection with a retirement plan or individual retirement arrangement acts as a fiduciary under ERISA. The opinion came two days after the 10th Circuit the same regulations. Source: Ballardspahr.com

[Audit Guidelines on Missing Participants and RMDs](#) -- Abstract: This memorandum directs EP examiners not to challenge a 403b plan as failing to satisfy the required minimum distribution (RMD) standards under Internal Revenue Code Section 403(b)(10) in the circumstances set forth. Source: Benefitsforward.com

[Rollover Period for Loan Offsets Extended](#) -- Abstract: If a participant defaults on a retirement plan loan after separating from service, the plan will "offset" the outstanding balance of the loan, deducting it from the participant's account and treating it as a taxable distribution. Under a new rule, the rollover deadline to avoid taxation is now extended from 60 days to the due date for the participant's tax return, including extensions, for the year in which the loan offset occurred. Source: Fidelity.com

[401k Hardship Withdrawals - Made Easier by the 2018 Budget Act](#) -- Abstract: Effective for hardship distributions that occur after January 1, 2019, employees will no longer be subject to the 6-month suspension period for contributions. Also, amounts eligible for withdrawal will be expanded to include earnings, as well as other employer contributions previously made to the plan. Lastly, the legislation would remove the requirement to take a loan before qualifying for a hardship withdrawal. Source: Schneiderdowns.com

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