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EBP COMMENTATOR

The Newsletter of the BDO Employee Benefit Plan Audit practice

<http://www.bdo.com/executive-hrservices>

SPECIAL EDITION

2014 COST-OF-LIVING ADJUSTMENTS FOR QUALIFIED RETIREMENT PLANS

The Internal Revenue Service announced cost-of-living adjustments applicable to dollar limitations for pension plans and other items for tax year 2014.

Code Section	2014	2013	2012	2011	2010
401(a)(17)/404(l) Annual Compensation	\$260,000	\$255,000	\$250,000	\$245,000	\$245,000
402(g)(1) Elective Deferrals	17,500	17,500	17,000	16,500	16,500
408(k)(2)(C) SEP Minimum Compensation	550	550	550	550	550
408(k)(3)(C) SEP Maximum Compensation	260,000	255,000	250,000	245,000	245,000
408(p)(2)(E) SIMPLE Maximum Contributions	12,000	12,000	11,500	11,500	11,500
409(o)(1)(C) ESOP Limits	1,050,000 210,000	1,035,000 205,000	1,015,000 200,000	985,000 195,000	985,000 195,000
414(q)(1)(B) HCE Threshold	115,000	115,000	115,000	110,000	110,000
414(v)(2)(B)(i) Catch-up Contributions	5,500	5,500	5,500	5,500	5,500
414(v)(2)(B)(ii) Catch-up Contributions	2,500	2,500	2,500	2,500	2,500
415(b)(1)(A) DB Limits	210,000	205,000	200,000	195,000	195,000
415(c)(1)(A) DC Limits	52,000	51,000	50,000	49,000	49,000
416(i)(1)(A)(i) Key Employee	170,000	165,000	165,000	160,000	160,000
457(e)(15) Deferral Limits	17,500	17,500	17,000	16,500	16,500
1.61-21(f)(5)(i) Control Employee	105,000	100,000	100,000	95,000	95,000
1.61-21(f)(5)(iii) Control Employee	210,000	205,000	205,000	195,000	195,000
219(b)(5)(A) IRA Contribution Limit	5,500	5,500	5,000	5,000	5,000
219(b)(5)(B) IRA Catch-Up Contributions	1,000	1,000	1,000	1,000	1,000
Taxable Wage Base for Social Security	117,000	113,700	110,100	106,800	106,800

BDO EBP PRACTICE

BDO is nationally recognized in the field of employee benefit plan consulting and auditing. We audit over 1,100 plans nationwide, ranging from 100 participants to close to 300,000 participants. Our engagements are staffed with accountants experienced with all types of audits including defined contribution (401(k), profit sharing, ESOP and 403(b) plans), defined benefit (pension, cash balance) and health and welfare plans. We have extensive ERISA knowledge of audit and filing requirements, including full-scope, limited-scope, Form 11-K filings and master trusts.

In addition, BDO has a National Employee Benefit Plan Audit Group that meets regularly to develop training and guidance and discuss updates in the industry and auditing practices. Our professionals are regular presenters at local, state and national seminars. BDO's professionals continue to be extensively involved with the American Institute of Certified Public Accountants (AICPA) National Conferences on Employee Benefit Plans. Many of our professionals serve in leadership roles in the accounting profession as senior advisors and are active members of several governing boards and CPA societies. For example, our professionals currently serve on various AICPA committees, such as the AICPA's Joint 403(b) Plan Audit Task Force (we are proud to have representation at the chair level for this committee) and the AICPA Technical Standards Subcommittee of the Professional Ethics Executive Committee. BDO's EBP professionals have also served on the AICPA Employee Benefit Plan Audit Quality Center Executive Committee (immediate past chair) and the Employee Benefit Plan Expert Panel in the past.

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