



hooker & holcombe

2021 Compliance Calendar for defined contribution plans

As a retirement plan sponsor, you juggle many tasks. One of the most important is ensuring that your plan is compliant with all pertinent federal and local regulations. This compliance calendar can help you keep track of your company's required filings, their due dates and related details so you can avoid incurring any fines or penalties for late filings or missing information.



This calendar is intended to provide you with some of the significant regulatory dates for 2021. It may not identify all compliance obligations or due dates specific to your plan. The deadlines in this calendar are for plans with calendar-year plan years. Please speak with your H&H consultant regarding questions specific to your plan.

JANUARY

15 Provide/Confirm prior year census data

31 **Deadline: Sending Form 1099-R to participants** who received distributions in previous year

FEBRUARY

15-28 Review/approve compliance testing results

28 **Deadline: Filing Form 1099-R with IRS** to report distributions made in previous year (deadline for electronic filing is March 31)

MARCH

15 **Deadline: ADP/ACP test corrective distributions** to avoid 10% excise taxes, unless EACA for full year 2019

Note: A special deadline may apply to plans that satisfy the requirements of an Eligible Automatic Contribution Arrangement (EACA). See "June".

Deadline: Filing partnership tax returns and contribution deadline for deductibility (without extension) for companies operating on calendar-year fiscal year

Deadline: Requesting automatic extension to September 15 for partnership tax returns

31 **Deadline: Electronic filing of Form 1099-R** to report distributions made in previous year

APRIL

1 **Deadline: Taking first Required Minimum Distribution (RMD)** under Internal Revenue Code (IRC) Section 401(a)(9) (The CARES Act provides a waiver of RMDs for defined contribution plans and IRAs for 2020)

15 **Deadline: Processing corrective distributions** for IRC Section 402(g) excesses

Deadline: Filing individual tax returns

Deadline: Contribution deadline for deductibility for self-employed individuals (without extension)

Deadline: Requesting automatic extension to October 15 for individual and corporate tax returns

MAY

JUNE

30 **Deadline: processing corrective distributions** for failed ADP/ACP test from plan with EACA without 10% excise tax (if applicable)

REQUIRED FEE DISCLOSURES

PLAN SPONSOR

Initial disclosure: Required within a reasonable period before the contract is entered into or renewed

Annual disclosure: Required following changes in investment information

Additional disclosures: Required no later than 60 days after the effective date of the change for changes in compensation or services provided

PARTICIPANT

Initial disclosure: Required on or before the date when participants can first direct investments

Annual disclosure: Required to be updated and distributed at least annually

Additional disclosures: Required at least 30 days, but no more than 90 days, prior to certain plan changes

JULY

- 29** **Deadline: Sending Summary of Material Modification (SMM)** (210 days after end of plan year in which the amendment was adopted)
- 31** **Deadline: Filing Form 5500** (without extension)
- Deadline: Filing Form 5558 to request automatic extension** of time to file Form 5500 (to October 15)
- Deadline: Filing Form 5330** (Return of Excise Taxes Related to Employee Benefit Plans) used to report and pay excise taxes on prohibited transactions and excess 401(k) plan contributions that occurred in prior year

AUGUST**SEPTEMBER**

- 15** **Extended deadline: Filing tax returns for partnerships**
- Final deadline: Contribution deadline for deductibility** for calendar-year partnerships and S-corporations
- 30** **Deadline: Distributing Summary Annual Report (SAR) to participants**, unless deadline for Form 5500 was extended, then two months after due date

OCTOBER

- 15** **Deadline: Adopting a retroactive amendment** to correct an IRC Section 410(b) coverage or IRC Section 401(a)(4) nondiscrimination failure
- Extended deadline: Filing Form 5500**
- Extended deadline: Individual and/or corporate tax returns** and final contribution deadline for deductibility for these entities

NOVEMBER**DECEMBER**

- 1** **Deadline: Sending annual 401(k) and safe harbor match notice**
- Deadline: Sending annual QDIA, qualified default investment alternative notice**
- Deadline: Sending annual automatic contribution arrangement notice (ACA)** For administrative ease, a combined notice may be provided for the above notices
- 15** **Extended deadline: Distributing SAR (Summary Annual Report) to participants**
- 31** **Deadline: Processing corrective distributions** for failed ADP/ACP test with 10% excise tax
- Deadline: Correcting a failed ADP/ACP test** with Qualified Non-Elective Contributions (QNECs)
- Deadline: Amendment to convert existing 401(k) plan to safe harbor** design for next plan year (provided notice requirement is met)
- Deadline: Amendment to remove safe harbor status** for next plan year
- Deadline: Amending plan for discretionary changes** implemented during plan year (certain exceptions apply)
- Deadline: Required Minimum Distribution (RMD)** – Generally, a Participant’s first RMD is due April 1 following the later of the calendar year in which they: 1) reach age 72 (age 70½ if born before July 1, 1949), or 2) retire or separate service from the employer sponsoring the plan. Subsequent RMDs are required by December 31st annually thereafter:
- If a plan participant owns more than 5% of the business sponsoring the plan, they must begin receiving distributions by April 1 of the year after the calendar year in which they reach age 70½ (age 72 if born after June 30, 1949), even if they have not retired
 - Although uncommon, some plans may require participants to begin receiving distributions by April 1 of the year after they reach age 70½ (age 72 if born after June 30, 1949), even if they have not retired or separated service

2021 RETIREMENT PLAN LIMITS

The Internal Revenue Service has published the cost of living adjustments (COLA) applicable to dollar limitations for employee-sponsored retirement and welfare plans, with most contribution and benefit limits for employer-sponsored plans remaining unchanged for the 2021 tax year.

Contribution and benefit limits effective January 1, 2021 are as follows:

	2021	2020	2019	2018
Defined Benefit maximum	\$230,000	\$230,000	\$225,000	\$220,000
Defined Contribution maximum	\$58,000	\$57,000	\$56,000	\$55,000
Maximum employee pre-tax contribution (pre-tax plus Roth combined)				
401(k), 403(b) and most 457 plans	\$19,500	\$19,500	\$19,000	\$18,500
Simple 401(k)	\$13,500	\$13,500	\$13,000	\$12,500
Maximum employee catch-up contribution (pre-tax plus Roth combined)				
401(k), 403(b) and most 457 plans	\$6,500	\$6,500	\$6,000	\$6,000
Simple 401(k)	\$3,000	\$3,000	\$3,000	\$3,000
Compensation cap	\$290,000	\$285,000	\$280,000	\$275,000
Highly compensated threshold	\$130,000	\$130,000	\$125,000	\$120,000
Key employee threshold	\$185,000	\$185,000	\$180,000	\$175,000
	2021	2020	2019	2018
Old age & disability	\$142,800	\$137,700	\$132,900	\$128,400
Medicare	No Max.	No Max.	No Max.	No Max.

Plan sponsors should use this information to update payroll and plan administration systems. Please contact your H&H consultant with questions or to learn more about how these updates apply to your plans.

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