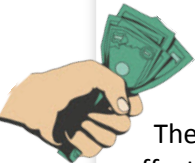


## Newsworthy - The Newsletter for Employee Benefit Plan Sponsors



### Cost-of-Living Adjustments Announced

The IRS has announced the cost-of-living adjustments for retirement plans effective in 2012:

<i>401(k), 403(b), Profit-Sharing Plans, etc.</i>			
Code Section	2012	2011	2010
Annual Compensation - 401(a)(17)/404(l)	250,000	245,000	245,000
Elective Deferrals - 402(g)(1)	17,000	16,500	16,500
Catch-up Contributions - 414(v)(2)(B)(i)	5,500	5,500	5,500
Defined Contribution Limits - 415(c)(1)(A)	50,000	49,000	49,000

<i>IRAs</i>			
Code Section	2012	2011	2010
IRA Contribution Limit - 219(b)(5)(A)	5,000	5,000	5,000
IRA Catch-Up Contributions - 219(b)(5)(B)	1,000	1,000	1,000

### IRS Form 8895-SSA - what is it and why complete it?

Form 8955 replaces a schedule (Schedule SSA) that was formerly required to be filed with Form 5500. It identifies participants that have separated from your company (retired, terminated, etc.) and still have a balance in your Plan.

The government tracks this information and sends notifications to applicants of first time social security benefits informing them of money that they have left behind somewhere and may have forgotten over time.

For privacy concerns, the Schedule SSA was removed from the Form 5500 two years ago as it contained participant social security information. The government is now launching the new form to collect the required information.

**Form 8895 must be filed by January 17, 2012** for the 2009 & 2010 plan years.

### Dufek & Company, LLC

#### What makes us different?

With most CPA firms, you see the partners once – when they are trying to solicit your business. After that you see a revolving door of recent college graduates asking the same questions year after year.

Dufek & Company is different as all of our engagements are staffed by the owners of the firm. You deal with the same experienced professionals every year!

Another difference is that we are a specialty CPA firm that only audits employee benefit plans. This allowed us to develop an effective and efficient process that keeps audit requests to a minimum and most importantly respects your time.

We pride ourselves in our expertise and our ability to get your testing done right the first time allowing the audit to be completed in as little as three weeks. We invite you to visit our website to learn more!

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### Related Internet Links

Click the red text or visit our website  
(Resources / Internet links - on the top navigation bar).

- [Retirement Plan Blog](#)  
Frequently updated blog covering many useful topics.
- [IRS Retirement Plan Navigator](#)  
Retirement guide for small employers.
- [IRS "Fix-It" Guides](#) - Common mistakes and the recommended corrective action.
- [DOL Voluntary Correction Program](#)  
Department of Labor program to comply with annual reporting requirements.
- [403\(b\) Frequently Asked Questions](#)  
Q & A section developed by the AICPA 403(b) Task Force.

### **Fee Disclosures - Effective beginning 4/1/2012**

Two sets of regulations that have been much talked about (and many times delayed) are just around the corner. These regulations - ERISA Sections 408[b][2] and 404[a] - are designed to promote transparency concerning the costs incurred in a benefit plan.

Section 408[b][2] requires service providers to detail any fees they are charging plan sponsors. Service providers are required to provide a summary disclosure statement to plan sponsors by April 1, 2012.

Section 404[a] requires increased fee disclosures to participants on their quarterly statements. The participant statements will now show the actual dollar amounts of fees and expenses charged to participants accounts. The effective date of this regulation is May 31, 2012.

In December of 2011, The American Society of Pension Professionals and Actuaries (ASPPA) requested that the Department of Labor pass a further extension of the fee disclosure guidelines. Currently, the government has stated that the deadlines will not be extended further. We recommend that you monitor the blog section of our website to check for current developments.

### **We Specialize - You Save!**

By specializing in employee benefit plan audits we are able to provide quality audits that can be completed in weeks instead of months. As an added bonus, our fees may be thousands of dollars less than you are currently paying!

**Question:** How can we provide a quality audit that is **completed in less time** and ultimately **save your company money**?

**Answer: Specialization!** All we do is benefit plan auditing. We are continually honing our audit process so that we are able to provide you a quality audit while presenting questions and requests in a manner that respects your time!

We know your time is important. While there is a learning curve as we begin to understand the inner workings of your benefit plan, the key to respecting your time is to go through this learning curve once – not once every year.

### CPA's specializing in:

- 401(k) Audits
- 403(b) Audits
- Profit Sharing Plan Audits
- ESOP Audits
- Pension Plan Audits
- Money Purchase Plan Audits



"A benefit plan audit doesn't need to cost too much and last forever. We are proving it!"

- Scott M Dufek, CPA

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