

The Blue Chip Blast – November, 2022

A Message from the President

A HEARTFELT FAREWELL

Our long-time tenured Compliance Consultant and dear associate, Theresa Driver is retiring at the end of the year. Theresa has been with Blue Chip since 2005 and has been an integral part of our success maintaining numerous plan contact relationships along the way. She is looking forward to traveling (to warmer weather for sure) with her husband, Dennis and being grandma in the coming years. Now she can take in more of her beloved Brewers, Badgers and Packer games without having to worry the next day if a tax form 5500 will be processed on time. We can't say enough about her dedication and integrity to this industry, which can be mundane and somewhat boring to most people. From all of us at Blue Chip, thank you very much Theresa! You will be truly missed.



2023 Limits Released - with some large increases!

The Internal Revenue Service has recently issued pension plan limitations for the 2023 tax year

LIMITS	2023	2022
401(k) or Roth Elective Deferral (calendar year)	\$22,500.00	\$20,500.00
401(k) Catch-up Contribution (age 50 & Older)	\$7,500.00	\$6,500.00
Annual Contribution Limit	\$66,000.00	\$61,000.00
Annual Contribution Limit (over age 50)	\$73,500.00	\$67,500.00
Plan Compensation Limit (Plan Year beginning)	\$330,000.00	\$305,000.00
Social Security Wage Base	\$160,200.00	\$147,000.00
Highly Compensated Employee Compensation	\$150,000.00	\$135,000.00
Officer Compensation for Key Employee Definition	\$215,000.00	\$200,000.00

DEADLINES! DEADLINES! DEADLINES!

As we approach the end of another calendar year we know everyone is focused on holidays and festivities. But as soon as those are over we all need to start working on the year end work both for your business and your retirement plan. We want to remind you of the deadlines to have your plan meet compliance deadlines.

DESCRIPTION	12/31 Plan Year	Off Calendar Year
1099-R for prior year distributions	1/31	1/31
ADP/ACP Testing for non safe-harbor 401(k) plans	3/15	2 1/2 months after plan year end
Refunds for test failure	3/15	2 1/2 months after plan year end
Employer Contributions	Company Tax deadline + extensions	Company Tax deadline + extensions
Form 5500	7/31	7 months after plan year end
Extended Form 5500	10/15	9 1/2 months after plan year end
Summary Annual Report	9/30 or 12/15 if extended	60 days after Form 5500 filing

New IRS Friendly 90 Day Pre-Examination Pilot Program

The IRS has begun a pilot program that gives Plan Sponsors a chance to review plan documents and operations to ensure they are complying with current law. The service says the program is designed to decrease the number of full-scope investigations and allow plan sponsors to self-correct any errors they may find under the Employee Plans Compliance Resolution System (EPCRS).

If your plan is selected, you will receive a 90-day letter. Please read it carefully and then contact your Blue Chip Compliance Consultant for assistance. We will assist in gathering the information the IRS is asking for, running any necessary tests, answering questions and providing documentation.

If errors are found or discrepancies noted we will assist with the corrections and remedies prior to the 90 day deadline. If the error cannot be fixed under self-correction we will guide you through the VCP program which offers compliance options for a fee. These fees are much smaller than penalties that can be imposed by the IRS.

Meet the Blue Chip Staff



Kimberly is the newest member of the Blue Chip team coming on board this August and possesses over 11 years of experience working in the Retirement Plan industry. She and her husband Brian are somewhat empty nesters, as they currently reside in Childersburg, AL with 4 dogs and 3 cats. Kimberly enjoys lake days, beach trips, travel and camping. She especially enjoys spending time with their daughter Bentley, son-in-law Mo and son Cullen – especially during college football season. Their house is definitely divided with “War Eagle”, “Geaux Tigers” and “Roll Tide”. Kimberly graduated from Faulkner University in Montgomery, AL with a bachelor’s degree in Human Resource Management and is currently working on obtaining her QKA designation.

