

GET TO KNOW BDO – EXECUTIVE AND HR SERVICES

# EBP COMMENTATOR

THE NEWSLETTER OF THE BDO EMPLOYEE BENEFIT PLAN AUDIT PRACTICE

SPECIAL EDITION

## 2017 COST-OF-LIVING ADJUSTMENTS FOR QUALIFIED RETIREMENT PLANS

*The Internal Revenue Service has announced the cost-of-living adjustment (COLA) for 2017. The dollar limitations for pension plans and selected other items are listed below. Certain annual compensation amounts were increased although the limits for elective and catch-up deferrals remain unchanged since 2015. The Social Security Administration separately announced an increase to the taxable wage base.*

Code Section	2017	2016	2015	2014	2013
401(a)(17)/404(l) Annual Compensation	\$270,000	\$265,000	\$265,000	\$260,000	\$255,000
402(g)(1) Elective Deferrals	18,000	18,000	18,000	17,500	17,500
408(k)(2)(C) SEP Minimum Compensation	600	600	600	550	550
408(k)(3)(C) SEP Maximum Compensation	270,000	265,000	265,000	260,000	255,000
408(p)(2)(E) SIMPLE Maximum Contributions	12,500	12,500	12,500	12,000	12,000
409(o)(1)(C)(ii) ESOP Limits	1,080,000 215,000	1,070,000 210,000	1,070,000 210,000	1,050,000 210,000	1,035,000 205,000
414(q)(1)(B) HCE Threshold	120,000	120,000	120,000	115,000	115,000
414(v)(2)(B)(i) Catch-up Contributions	6,000	6,000	6,000	5,500	5,500
414(v)(2)(B)(ii) Catch-up Contributions	3,000	3,000	3,000	2,500	2,500
415(b)(1)(A) DB Limits	215,000	210,000	210,000	210,000	205,000
415(c)(1)(A) DC Limits	54,000	53,000	53,000	52,000	51,000
416(i)(1)(A)(i) Key Employee	175,000	170,000	170,000	170,000	165,000
457(e)(15) Deferral Limits	18,000	18,000	18,000	17,500	17,500
1.61-21(f)(5)(i) Control Employee	105,000	105,000	105,000	105,000	100,000
1.61-21(f)(5)(iii) Control Employee	215,000	215,000	215,000	210,000	205,000
219(b)(5)(A) IRA Contribution Limit	5,500	5,500	5,500	5,500	5,500
219(b)(5)(B) IRA Catch-Up Contributions	1,000	1,000	1,000	1,000	1,000
Taxable Wage Base for Social Security	127,200	118,500	118,500	117,000	113,700

### BDO EBP PRACTICE

Nationally recognized in the field of employee benefit plan consulting and auditing, BDO audits over 1,900 plans in a range of sizes (from smaller participant plans with under 100 participants to very large plans with over 400,000 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 equity or cash balance) and health and welfare plans (defined benefit or defined contribution). We have extensive ERISA knowledge of audit and filing requirements, including full-scope, limited-scope, SEC Form 11-K filings and Master Trusts.

BDO's National Employee Benefit Plan Audit Group 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. We are 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 Employee Benefit Plan Audit Quality Center Executive Committee, Joint 403(b) Plan Audit Task Force (we are proud to have had representation at the chair level for this committee), the Employee Benefit Plan Expert Panel and the Technical Standards Subcommittee of the Professional Ethics Executive Committee.

### ABOUT BDO USA

BDO is the brand name for BDO USA, LLP, a U.S. professional services firm providing assurance, tax, advisory and consulting services to a wide range of publicly traded and privately held companies. For more than 100 years, BDO has provided quality service through the active involvement of experienced and committed professionals. The firm serves clients through more than 60 offices and over 500 independent alliance firm locations nationwide. As an independent Member Firm of BDO International Limited, BDO serves multi-national clients through a global network of 1,408 offices in 154 countries.

BDO USA, LLP, a Delaware limited liability partnership, is the U.S. member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO is the brand name for the BDO network and for each of the BDO Member Firms. For more information please visit: [www.bdo.com](http://www.bdo.com).

Material discussed is meant to provide general information and should not be acted on without professional advice tailored to your firm's individual needs. © 2016 BDO USA, LLP. All rights reserved.

### BDO EBP PRACTICE

Our EBP practice group is specifically dedicated to helping companies address their Employee Benefit Plan (EBP) needs. Our plan audits are delivered through a streamlined process, tailored individually to the benefit plan and the plan sponsor.

For more information on BDO's EBP services, please contact a member of our practice leadership:

**BETH LEE GARNER**,  
National Practice Leader  
404-979-7143 / [bgarner@bdo.com](mailto:bgarner@bdo.com)

**DARLENE BAYARDO**,  
National Assurance  
714-913-2619 / [dbayardo@bdo.com](mailto:dbayardo@bdo.com)

**MARY ESPINOSA**, Orange County  
West Regional Leader  
714-668-7365 / [mespinosa@bdo.com](mailto:mespinosa@bdo.com)

**JODY HILLENBRAND**, San Antonio  
Southwest Regional Leader  
210-424-7524 / [jhillenbrand@bdo.com](mailto:jhillenbrand@bdo.com)

**LUANNE MacNICOL**, Grand Rapids  
Central Regional Leader  
616-802-3364 / [lmacnicol@bdo.com](mailto:lmacnicol@bdo.com)

**WENDY SCHMITZ**, Charlotte  
Atlantic Regional Leader  
704-887-4254 / [wschmitz@bdo.com](mailto:wschmitz@bdo.com)

**JOANNE SZUPKA**, Philadelphia  
Northeast Regional Leader  
215-636-5591 / [jszupka@bdo.com](mailto:jszupka@bdo.com)

**JAM YAP**, Atlanta  
Southeast Regional Leader  
404-979-7205 / [jtyap@bdo.com](mailto:jtyap@bdo.com)

For previously issued *EBP Commentator* newsletters or special editions, please visit [www.bdo.com/publications/assurance/ebp.aspx](http://www.bdo.com/publications/assurance/ebp.aspx).