

## TSACG Monthly Newsletter - October 2020



### Maximum Allowable Contribution (MAC) Limits for 2021

TSA Consulting Group (TSACG) is committed to providing our clients with the most current 403(b), 457(b), and 401(k) Plan information as it is released by the IRS. The latest IRS information concerning MAC limits indicates that the normal limit remains unchanged for calendar year 2021.

#### MAC Limits for 2021

- The normal calendar year limit for 403(b), 457(b) and 401(k) plans will remain unchanged at \$19,500 for 2021.
- The age-based additional amount (age 50 by 12/31/2021) remains unchanged at \$6,500 for 2021.
- Any other catch-up options that may be applicable to your Plan(s) remain unchanged.

#### Examples

All employees, regardless of age or years of service, may contribute up to \$19,500 to their 403(b), 457(b) or 401(k) account in 2021. (The limit is coordinated for 403(b) and 401(k) accounts. 457(b) accounts are not coordinated with other plans.)

Employees who will attain age 50 by 12/31/2021 may contribute an additional \$6,500 to 403(b), 457(b) and/or 401(k) accounts in 2021. (This limit is coordinated for 403(b) and 401(k) accounts.)

#### IRC §415 Limit

The overall employee and employer contribution limit for 401(a), 401(k) and 403(b) plans increases by \$1,000 to a total of \$58,000 effective January 1, 2021. This overall defined contribution limit is of special importance to those plan sponsors with Special Pay Plans that are designed to accommodate accumulated leave payments.

This information is available on our website on the "Contribution Guidelines" page: <https://www.tsacg.com/calculations/contributions-guidelines/>

Questions regarding this information should be directed to your Plan Consultant.

You can download a copy of this General Release information from our website by clicking the "Download" button below:

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## New Email Address Coming Soon



In the next few months, we will begin utilizing our new email address for newsletter distribution: [plansupport@tsacg.com](mailto:plansupport@tsacg.com).

Please take a moment and add this address to your approved senders list so that our newsletters are not corralled as Spam.

## September 2020 Remittance Snapshot

Totals reflect remittance data for 09/01/2020 to 10/01/2020.

5,394

Number of Payrolls Submitted

2,624

Number of Employers Submitting Payrolls

\$159M

Total Amount Processed



## Online Distribution Center

TSACG maintains an advanced Web-based Online Distribution System for use by Plan Sponsors and participants. The system provides employees the ability to obtain an immediate Certificate of Approval. The system is available 24 hours a day, seven days a week. Reports are available to authorized staff to view aggregate data on all plans hosted and provided to employees. In addition, TSACG representatives are available to assist with transactions for participants unable to use the Online Distribution System. Contact Recordkeeping for more information.

View ODS



## Secure FTP for Transmission of Data

TSACG provides a secure FTP upload interface for Plan Sponsors to provide monthly demographic data that is used for compliance. Not Registered? [>Register<](#)

## Additional Resource Information

### Maximum Allowable Contribution (MAC) Limits for 2020 & 2021



- The normal calendar year limit for 403(b), 457(b) and 401(k) plans is \$19,500 for both 2020 and 2021.
- The age-based additional amount (age 50 by 12/31/2020 or 12/31/2021 respectively) is \$6,500 for both 2020 and 2021.
- Any other catch-up options that may be applicable to your Plan(s) remain unchanged.

View the Contribution Guidelines page:

View Online

### TSACG Recommended Best Practices for Plan Sponsors



TSACG has served as the Declared Representative with Power of Attorney for over 60 clients in the last 5 years who were undergoing an audit of their 403(b)/457(b) Plan. We took our vast experience with this process and compiled our list of Recommended Best Practices to share with our clients. This list is intended to provide information regarding activities that are often outside our firm's ability to monitor and/or oversee. Download a copy of our Recommended Best Practices.

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## Contact TSACG

Our representatives are available to answer Plan questions, assist in file submission, walk you through a remittance submission, and so much more. You can contact our Customer Service Reps Monday through Thursday from 7 a.m. to 7 p.m. CST and Friday from 7 a.m. to 5 p.m. CST.

Not sure which extension or email address to use for the department you need to talk to? Click the button to download the current contact sheet for Plan Sponsors.

As a reminder, the contact information for your employees to use is provided within the Meaningful Notice, which is always available on your employer specific web page on our site at <https://www.tsacg.com>.

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