

Safe Harbor Retirement Plans

Key Benefits of Safe Harbor:

- Allows Highly Compensated Employees (HCEs) to defer the current maximum of \$20,500 of compensation
- Matching contributions are tax deductible to employer
- HCEs achieve maximum deferral limit regardless of Non-Highly Compensated Employees (NHCE) participation rates
- HCEs may automatically receive a 3:1 profit sharing ratio

Safe Harbor Comparison Chart

Pass The Test	SAFE HARBOR MATCH	SAFE HARBOR 3% NON-ELECTIVE	QACA MATCH	QACA 3% NON-ELECTIVE
<ul style="list-style-type: none"> Automatically pass ADP and ACP testing Avoid corrective distributions Can satisfy Top Heavy minimum 	100% on 1st 3% contributed and 50% on next 2%	Minimum of 3% profit sharing contributions to all eligible employees	100% on 1st 1% contributed and 50% on next 5%	Minimum of 3% profit sharing contributions to all eligible employees
		Combined with New Comparability, HCE's can receive a 3:1 benefit	Initial Automatic Enrollment of 3% with Automatic Increase of 1%	Initial Automatic Enrollment of 3%
	Immediate 100% vesting	Immediate 100% vesting	Up to two year cliff vesting	Up to two year cliff vesting

Want more savings for less hassle?

Contact us to discuss your needs or those of your business owner clients so we can assist you in creating and maintaining the most profitable retirement plan possible.

TimKvam@MyBenefits.me | (678) 974-3241

