



## 2016 COST OF LIVING ADJUSTMENT (COLA)!

Greetings NRS Clients and Advisors:

The 2016 Cost of Living Adjustments (COLA) for retirement plans have been released covering the period from October 1, 2014 through September 30, 2015. These adjustments produce the 2016 limits. Key limits are presented below.

As always, clients with questions should contact their NRS Account Manager. Advisors may check with their normal NRS contact.

<b>2016 COST OF LIVING INDEXED ADJUSTMENTS FOR QUALIFIED PLANS</b>	<b>2016</b>	<b>2015</b>
<b>Employee Salary Deferral Limit to 401(k) Plans</b>	<b>\$18,000</b>	<b>\$18,000</b>
<b>Catch-up (age 50+) Deferral Limit to 401(k) Plans</b>	<b>\$6,000</b>	<b>\$6,000</b>
<b>Defined Contribution Maximum Annual Additions</b>	<b>\$53,000</b>	<b>\$53,000</b>
<b>Defined Benefit Maximum Annual Benefit</b>	<b>\$210,000</b>	<b>\$210,000</b>
<b>Maximum Compensation- Qualified Retirement Plans</b>	<b>\$265,000</b>	<b>\$265,000</b>
<b>Definition of Highly Compensated Employees</b>	<b>\$120,000</b>	<b>\$120,000</b>
<b>FICA Taxable Wage Base</b>	<b>\$118,500</b>	<b>\$118,000</b>
<b>SEP Minimum Compensation</b>	<b>\$600</b>	<b>\$600</b>
<b>SIMPLE Retirement Accounts Deferral Limit</b>	<b>\$12,500</b>	<b>\$12,500</b>
<b>Catch-up Deferral Limit for SIMPLE Accounts</b>	<b>\$3,000</b>	<b>\$3,000</b>

### **ADDITIONAL HELPFUL INFORMATION**

*The term "annual additions" generally means the sum for any year of employer contributions, employee contributions, and forfeitures.*

*For plans that include salary deferral features, individuals who are 50 and older by the end of the calendar year may make [catch-up contributions](#) in addition to the annual addition limit, if catch-up contributions are permitted under the plan.*

**NOTES FOR OFF-CALENDAR PLAN YEARS**

*Deferral limits are on a calendar year basis, regardless of plan year.*

*Use the TWB in effect at the beginning of the plan year.*

*Use the Annual Compensation limit in effect at the beginning of the plan year.*

*Use the 415 limit in effect at the end of the plan year.*

**HOW ARE WE DOING? PLEASE COMPLETE THE NRS CLIENT SATISFACTION SURVEY!**

We are grateful and thankful for the strong response to our Client Satisfaction Survey! In an effort to maintain high level client satisfaction, we need client feedback! The content of these replies will be sent directly to Executive Management. This survey takes less than 2 minutes to complete. To access the Client Satisfaction Survey, [please click here.](#)

As always, NRS truly values your continued business!

**For more information or to request a proposal, please visit our website at [www.NRServices.com](http://www.NRServices.com), or for sales support, please contact:**

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