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i INFORMATION

More Ways to Connect with Transamerica

At Transamerica Retirement Solutions, we are constantly looking for ways to improve and expand our sponsor and participant communications. That's why **we have expanded our communication efforts to include social media, such as Twitter, YouTube and Facebook.**



Plan sponsors can follow our Twitter account, [@trsretire](#), to access quick updates about what's new from Transamerica, including whitepapers, research, press releases and other retirement industry developments.

Our [YouTube channel](#) offers videos that showcase various product offerings and retirement plan solutions. Stay tuned for more educational messages that you can share with your participants in the future.

And finally, our [Facebook page](#) features information on a variety of topics, ranging from retirement readiness and corporate news, to timely, fun facts and entertainment. Participants who "Like" our page can receive savings tips and reminders to stay on track with their retirement savings plan.

At Transamerica, we want to ensure that you and your participants can connect with us in ways that are current, convenient and easily accessible.

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Have feedback?

Just **reply** to this email with your comments or suggestions.

Our new holiday-themed email campaign aims to help increase your participants' retirement savings rates.

Transamerica Introduces New Participant Communication Campaign

Transamerica Retirement Solutions will be reaching out to participants throughout 2013 via a new holiday-themed email campaign, designed to encourage participants to save more for their retirement futures.



The first email communication was sent earlier this month and featured a Valentine's Day message. The next communication will incorporate a St. Patrick's Day message and can be viewed [here](#).

At Transamerica, we support your efforts to promote retirement savings by delivering targeted, action-oriented messages to your participants on a consistent basis.

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MONTHLY MARKET INSIGHT

INVESTMENT COMMENTARY

Interpreting the Rally

The experts at JP Morgan explore the factors contributing to the impressive performance of U.S. and global stocks this year. They conclude that the reduction of a number of risks from 2012 (including the risk of a European financial collapse, a sharp decline in China's economic growth, and an imminent drop off the fiscal cliff), has affected valuations, and therefore, "the cheapness of stocks relative to the extremely expensive global fixed income markets, has induced investors to move money from bonds into stocks." Their experts believe this has been the main driver of the current stock rally.



INVESTOR EDUCATION

Stay invested.

A chart of the performance of the S&P 500 over the past 64 years shows that bull markets have lasted an average of 41 months, while bear markets have lasted an average of 14 months. The experts at Putnam Investments remind long-term investors that staying in the market may be more prudent than selling during times of volatility.

Transamerica Retirement Solutions does not provide investment advice. J.P. Morgan Asset Management and Putnam Investments provide investment advisory services for some of the investment choices offered in Transamerica's retirement plans. J.P. Morgan Asset Management is the marketing name for the asset management businesses of JPMorgan Chase & Co. JP Morgan and Putnam Investments are not affiliated with Transamerica Retirement Solutions.

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We hope you will share these articles with your employees as part of your ongoing efforts to help them prepare for a successful retirement.



LEGISLATIVE / COMPLIANCE

Remind Participants about the Saver's Credit



Many American workers may be missing out on a valuable tax credit this year. The IRS' Retirement Savings Contributions Credit, also known as the **Saver's Credit**, is **available to low-to moderate-income workers who are saving for retirement.**

In its 13th Annual Retirement Survey, the Transamerica Center for Retirement Studies^{®1} found that just 20 percent of American workers with annual household incomes of less than \$50,000 are aware of the credit. Plan sponsors can play a critical role in raising awareness of this important tax credit.

The Saver's Credit reduces an eligible taxpayer's federal income taxes dollar for dollar, making it a meaningful incentive to save for retirement in a company-sponsored retirement plan or IRA.

It may be applied to the first \$2,000 of voluntary contributions an eligible worker makes to a 401(k), 403(b) or similar employer-sponsored retirement plan, or an IRA. **Credits of up to \$1,000 for single filers and \$2,000 for married couples are available.**

Employees eligible for the Saver's Credit include:

- Married individuals filing separately and singles with adjusted incomes up to \$28,750 in 2012 or \$29,500 in 2013
- Heads of household with adjusted incomes up to \$43,125 in 2012 or \$44,250 in 2013
- Married couples filing jointly with adjusted incomes up to \$57,500 in 2012 or \$59,000 in 2013.

More information on the Saver's Credit can be found at www.transamericacenter.org and www.irs.gov. Transamerica strives to provide you with the information you need to help your participants achieve their optimal retirement.

¹ The Transamerica Center for Retirement Studies[®] ("The Center") is a non-profit, private foundation. The Center is funded by contributions from Transamerica Life Insurance Company and its affiliates and may receive funds from unaffiliated third-parties. For more information, please refer to www.transamericacenter.org.

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March 12

Transamerica Completes Compliance and Nondiscrimination

Testing¹

- Employer instructs Transamerica to refund any excess contributions (deferrals) and/or excess aggregate contributions (match) by this date to avoid the 10% penalty. Transamerica must receive instructions by March 12th to meet the March 15th deadline.²
- If your plan has an Eligible Automatic Contribution Arrangement (EACA),³ and if the EACA applies to all eligible employees, the deadline by which Transamerica must receive complete census data (including the Additional Plan Data Form) is June 5, 2013. This will guarantee completion of 401(k) nondiscrimination testing by June 27, 2013. Transamerica must receive refund instructions by June 27 in order for distributions to be made by June 30, 2013.

March 15 — September 15

Profit-Sharing Plan Contributions

- Employer passes a board resolution declaring an employer discretionary contribution, if any, and makes any discretionary or required employer contributions to the plan.
- If appropriate, employer files for an extension of time to file their federal income tax return (which extends the deadline for making employer contributions to the plan, and filing Form 5500). The 5500 filing deadline is extended only to September 15 with this form.⁴ As needed, Transamerica will file IRS form 5558⁵ by July 31, 2013 (calendar-year plan) to extend the due date of the form 5500 to October 15, 2013.

¹ Compliance and nondiscrimination testing refers to a series of tests including the minimum coverage, annual additions, top-heavy, actual deferral percentage (ADP), and actual contribution percentage (ACP) tests.

^{2, 3} If the plan fails the ADP and/or ACP test(s), a correction can be made by distributing excess contributions. If a distribution is made within 2 ½ months after the end of the plan year (on or before 3/15 for a calendar year plan), the employer avoids paying a 10% excise tax to the IRS on the amount of the correction. If corrective distributions are made more than 2 ½ months after the end of the plan year, the employer would be subject to paying a 10% excise tax on the corrective distributions. For plans with an EACA that applies to all eligible employees, the deadline is extended to 6/30.

⁴ If contributions are to be deducted they must be deposited prior to the filing of the employer's federal income tax return. Please consult your tax counsel for details on filing for an extension of time to file your federal income tax return and deducting any employer contribution to the plan.

⁵ Form 5558 extends the due date of the form 5500 an additional 2 ½ months from its filing deadline of 7 months following the plan year end.

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