

# How to Code Triple Stack Match in the ftwilliam.com Compliance Software

## What is Triple Stack Match?

- Safe Harbor Match – maximum 4% of comp
- Discretionary Match - maximum 4% of comp
- Fixed Match - ???% of deferrals up to 6% of comp

The Safe Harbor and Fixed formulas are specified in the plan document. The advantage of this formula is that it can maximize the HCEs and only benefits other participants who defer. In addition, it maintains the ADP/ACP safe harbor status and can provide a top heavy free pass in most circumstances.

## The Calculation – 2018 Numbers

- HCE (50+) defers \$24,500; 415 limit is \$61,000. Needs \$36,500 in match to max out.
- Compensation is \$275,000; 4% of comp is \$11,000; 6% of comp is \$16,500.
- Fixed match = \$14,500 (\$36,500-\$11,000-\$11,000)
- $14,500/16,500 = 87.87879\%$

Deferrals	Participant age 50+	\$24,500
Safe Harbor Basic match	100% of deferrals (up to 3% comp) + 50% of deferrals (up to next 2% comp)	\$11,000
Discretionary	100% of deferrals (up to 4% comp)	\$11,000
Fixed	87.87879% of deferrals (up to 6% comp)	\$14,500
Total		\$61,000

Hint – consider adjusting the fixed percentage stated in the document so you don’t need to repeatedly amend the document.

## How do you Code this Triple Stack Match Formula on ftwilliam.com Compliance Software?

In the Allocation section of the Tasks menu:

▼ Matching Allocation

**Matching - Safe Harbor**

Number of Safe Harbor Matching rates: 2 rates

Enter rate of Matching Contributions on first tier (without % sign): 100.000000

Enter maximum amount of Employee Contributions matched on first tier (without % sign): 3.000000

If two tiers, enter rate of Matching Contributions on second tier (without % sign) If one tier, enter zero: 50.000000

If two tiers enter maximum amount of Employee Contributions matched on second tier (without % sign): 5.000000

**Matching - Fixed Rates**

Matching Contribution formula (if SH Match, enter number of added Tiers): 2 rates

Indicate whether max component of tier is percent or dollar amount: Percent

Enter rate of Matching Contributions on first tier: 187.878790

Enter maximum amount of Employee Contributions matched on first tier: 4.000000

If two tiers, enter rate of Matching Contributions on second tier: 87.878790

If two tiers enter maximum amount of Employee Contributions matched on second tier: 6.000000