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employees key to fueling growth, adding financial planning services - specifically retirement planning - is a great place to start.

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As small businesses increasingly turn to their accountants for strategic counsel and offerings that will help drive growth, accountants can capitalize on new opportunities to expand their practice and enhance client service. According to research from The Sleeter Group, small business owners' top criteria for selecting CPAs are expertise, responsiveness and offering proactive strategic advice. In

addition, many small businesses want their accountant to be a specialist in their

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As a growing number of accountants consult with small business owners about establishing 401(k) plans, they should focus on several key considerations:

- **Determine the actual costs.** While funding an employee retirement plan can seem like a daunting expense, small business owners who offer 401(k) plans can deduct contributions as a business expense. They may also be eligible to receive a tax credit of up to \$500 to help offset startup administrative costs for each of the first three years of the plan. In addition, their employees will be able to save in a tax-deferred account while reducing their current taxable income based on their contributions.
- **Analyze the impact on employee engagement.** 401(k) plans can help small businesses attract and retain top talent in an increasingly competitive labor market. A recent MetLife study found a strong connection between employee benefits and job satisfaction: 81 percent of those who are satisfied with their benefits, for example, are also satisfied with their jobs, compared to 22 percent who expressed dissatisfaction with their benefits but are satisfied with their jobs. A separate study by TowersWatson also revealed that benefits fuel employee loyalty: 45 percent of U.S. workers said their retirement plan is an important reason for staying with their current employer and 29 percent said having a retirement plan is an important reason for deciding to join their current employer.
- **Outline key planning and maintenance needs upfront.** Help small business owners understand what is involved with offering a 401(k) plan to their employees and where they can turn for help with: adopting a written 401(k) plan document, arranging a trust for the plan's assets, developing a record keeping system and providing plan information to eligible employees. Once a 401(k) is up and running, the focus needs to transition to plan management. This includes ongoing maintenance activities, such as monitoring participation and contributions, selecting and monitoring an investment lineup, handling reporting

requirements, educating participants about plan options and determining how to

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contributions (maximum limit is \$18,000 in 2016 and \$24,000 for those 50 and older), and assess important administrative and reporting requirements.

Helping small businesses to establish and manage a retirement plan can be a smart long-term investment for both accountants and their clients. By demonstrating their financial and tax expertise, accountants will reinforce the value they bring to their clients and strengthen important relationships. With financial planning as a core business offering, accountants will also be able to attract new clients and broaden their customer base, taking their practice to new heights in 2016.

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