

Economic Outlook at a Glance – (Q2) 2020 Outlook

This quarter's themes: Cautious is the watchword; Growth concerns; Geopolitical risks remain; Fundamentals and risk assessment are key. To read more about these themes, click [here](#).

Legislative News and Updates

Swift passing of the CARES Act: The Coronavirus Aid, Relief, and Economic Security Act, commonly known as the “**CARES Act**” passed on March 27, 2020. The retirement specific provisions for “qualified individuals” include:

- Option for employers to allow participants to take a COVID related **distribution of up to \$100,000**
- Option for employers to allow participants to increase **loan amounts from \$50k to \$100k or 100% of account balance**
- **RMDs due in 2020 are waived** for profit sharing, money purchase, and 401(k) plans

[Read CARES ACT attachment for more information.](#)

Final Electronic Disclosure Rule Published by DOL: On May 27, 2020, The U.S. Department of Labor (DOL) and the Employee Benefits Security Administration (EBSA) published their final ruling to expand the ability of private sector employers to communicate required retirement plan disclosures and other information **online or by email**. The effective date of this ruling is **July 27, 2020**. For more information, click [here](#).

Important Deadlines: **June 30th** ADP/ACP refunds for EACA plans are due to highly compensated employees (HCEs) to avoid a 10% excise tax on the employer. **July 31st** Form 5500 is due to the IRS for plans with a December 31 plan year-end—i.e., due seven months after year-end. **July 31st** Form 5558 is due to the IRS, also called the Application for Extension of Time to File Certain Employee Plan Returns. It is used to apply for an extension to file forms 5500 and/or 5330. *Note: Not all deadlines mentioned above are required for each retirement program. Ask your Alliant Retirement Consultant today which ones apply to your Plan.* Click [here](#) for the 2020 ERISA Plan Compliance Calendar.

Industry Insider Tips – Avoid Pitfalls in Plan Administration

COVID-19 May Affect Nondiscrimination Testing

To **avoid failing ADP and ACP testing**, industry experts recommend employers utilize mid- or quarter-year projection testing. Doing so can foresee outcomes. Read more [here](#).

Financially Speaking Webinar Series

Missed our recent webinar?
**Tips for Handling Market
Volatility**

Click [here](#) for the replay!

Password: Market2020

*This webinar can be shared with your plan
participants.*

BEAR MARKET RALLY . . . OR A NEW BULL MARKET?-

The S&P 500 **gained +12.8%** (total return) in April 2020, its first “**double-digit**” gain since **October 2011** and its **best month since January 1987**. (Source: BTN Research).

COULD THIS HOUSING TREND REVERSE? - In the 3 years through 3/31/20, the **number of US households** (both owners and renters) has **increased by +5.5 million to 124.4 million**. The number of owner households has **increased by +5.6 million to 81.3 million** while the number of renter households has **declined by 0.1 million to 43.1 million** (Source: Census Bureau).

JUST SITTING SOMEWHERE- 64% of the **commercial aircrafts** operated by **airlines worldwide** have been removed from daily usage and are **currently in storage** (Source: Upgraded Points).

SOURCE: MFS “By The Numbers” Newsletter May 4, 2020 Edition