

List of Items Requested

You received this compliance check because you are a sole proprietor sponsoring a qualified retirement plan. Entries on your Form 1040 (*U.S. Individual Tax return*), Schedule C (*Profit or Loss from Business*), line 26 (*Wages*) indicate you had employees who received substantial wages. However, line 19 (*Pension and profit sharing plans*) indicates that there were no contributions made for these employees. This could indicate that your employees may have been erroneously excluded from participating in your plan.

Internal Revenue Code Section 410(a) provides minimum eligibility requirements for a qualified plan. These requirements must also be stated in the Plan document. Employees who satisfy these eligibility requirements must participate in the plan.

To help us assess your plan's compliance with eligibility requirements, please answer the following questions for the 2012 plan year. You may attach any documents or additional information you believe will help us with our review.

1. What are the plan's age and service requirements for eligibility to participate?
2. What are the plan's entry dates for participation in the plan?
3. What is the plan's definition of a year of service for eligibility purposes?
4. What types of books and records do you keep to support eligibility determinations (for example: time cards, payroll records, employee census etc.)?
5. Did any of your employees meet the plan's eligibility requirements?
 Yes or No (If no, please explain)
6. Were contributions to the plan made on behalf of your employees?
 Yes or No - please explain why no contributions were made for eligible employees.

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7. If contributions were made to the plan, how were they reported on your Form 1040? Contributions are normally reported line 19 (*Pension and profit sharing plans*) of the Schedule C and on the Form 5500 series return (Form 5500, Schedule H, Part II, line 2a(1)(A) or Form 5500-SF/5500-EZ, Part III, line 8a).

8. Please provide the name and contact information of someone knowledgeable of the plan's form and operations authorized to speak with us regarding this matter:

Name (please print) _____

Title _____

Phone number _____

Best time to call _____