Did You Know?

A FICA Alternative Plan benefits the employee and the employer simultaneously?

Advantages for the EMPLOYEE:
- A retirement plan made available for part-time, temporary, and seasonal (PTS) employees
- Guaranteed interest to the plan through an annuity issued by Life Insurance Company of the Southwest, a member of National Life Group
- Take-home pay is the same as if employee was contributing to FICA, even while saving for retirement
- Access to funds when separated from service

Advantages for the EMPLOYER:
- Employer saves the social security match, or 6.2% of the PTS payroll
- Able to offer PTS employees a retirement plan benefit

Guaranteed Interest
100% Vested
Pre-tax Savings
Easy Plan Setup

Here’s How:

Products issued by:
Life Insurance Company of the Southwest

National Life Group® is a trade name representing various affiliates, which offer a variety of financial service products. Life Insurance Company of the Southwest, Addison, TX, is a member of National Life Group. The Flex 3121 Group Unallocated Fixed Annuity, form series 7813(0915) is underwritten by Life Insurance Company of the Southwest.

Guarantees are dependent upon the claims-paying ability of the issuing company.

No bank or credit union guarantee | Not a deposit | Not FDIC/NCUA insured | May lose value | Not insured by any federal or state government agency
What is a 3121 FICA Alternative Plan?
The 3121 FICA Alternative Plan is a retirement savings program for employees who are not eligible to participate in an employer's retirement plan. These individuals are normally part-time, seasonal, and temporary employees. It is an alternative to Social Security for your part-time, temporary, and seasonal (PTS) employees. Contributions to the plan are deducted from each employee's wages and are income tax-deferred.

What is the History of the Plan?
The Omnibus Budget Reconciliation Act of 1990 (OBRA) Amended the Internal Revenue Code and the Social Security Act to include employees of state and local governments. The Act authorized the Secretary of the Treasury to adopt regulations and provide guidance to the Internal Revenue Service and Social Security Administration. The Act amended Internal Revenue Code Section 3121, under which Social Security participation became mandatory for all employers. However, the Internal Revenue Code Section 3121 says that part-time, temporary, and seasonal (PTS) employees are exempt from the 3121 tax if they are provided a “comparable retirement system.” In response, the 3121 FICA Alternative Plan was created to meet those requirements. This alternative provides a retirement plan for PTS employees who are not normally covered like full time employees. The adoption of the 3121 Plan provides an economic benefit for the employer and their PTS employees.

What benefits are there for the employer?
• Annual/budget saving by eliminating social security contributions for part-time, temporary, and seasonal (PTS) employees
• FICA Alternative can be available to the employer without costs or fees.¹

What benefits are there for the employee?
• Employees are always 100 percent vested, meaning their contributions belong to them
• Funds in the FICA Alternative Plan are in an annuity with guaranteed interest from one of the insurance companies of National Life Group.
• Workers who leave their jobs can withdraw the money or leave it in their accounts¹

Be the reason PTS employees choose you!

Why Choose National Life Group?

20 years of market experience

177 FICA Alternative Plans

217,000 FICA Alternative Participants

#1 issuer of Fixed Indexed Annuities in Employer Plans.²

LEARN MORE:
Contact our Business Development Team at 866-243-7174

1 Interest is guaranteed to the plan. Participants will need to check with the plan administrator for information about any plan-related fees or restrictions.

2 LIMRA US Individual Annuity Industry Sales Report, 2Q2017