

Free CBIA-member tax program

New Tax Rule Affects Compensation Practices

New Internal Revenue Code Section 409A, adopted as part of the American Jobs Creation Act of 2004, imposes new restrictions on deferred compensation arrangements that, if not complied with, could result in severe income tax consequences. These consequences could include the acceleration of income tax and the assessment of interest and penalties.

The broad reach of these new rules, which are generally effective as of Jan. 1, 2005, extends both to supplemental employee retirement plans and to a number of employee and independent contractor arrangements not typically thought of as deferred compensation, including:

- Equity-based compensation, such as non-statutory stock options and stock appreciation rights.
- Employment and independent contractor agreements
- Bonus plans

- Severance and change-in-control agreements
- Partnership and limited liability company agreements

Please join us on March 24, 2005, when the Employee Benefits Practice Group of Shipman & Goodwin LLP will take you through the new law and practical case studies that will reinforce what you need to know about new section 409A. They also will discuss what you should be doing during the 2005 transition period to bring any affected compensation arrangements into compliance, and the new reporting requirements imposed on a business with a deferred compensation arrangement.

Space will be limited for this free CBIA program and pre-registration is required. Don't miss this intensive half-day session. It could save you business money.

CBIA

P R O G R A M S

Connecticut experts on business issues.

WHEN & WHERE

Thursday, March 24, 2005

8 a.m. — Registration and continental breakfast

8:30 to 11 a.m. — Program

First Floor Conference, CBIA, Hartford

SPEAKERS

Shipman & Goodwin LLP will be presenting this program on behalf of CBIA. Shipman & Goodwin is one of Connecticut's largest law firms with offices in Hartford, Stamford, Greenwich and Lakeville, Conn. The firm has more than 135 attorneys who are supported by over 190 paralegal, professional and support staff.

The following attorneys from Shipman and Goodwin will present this free program: Ira H. Goldman, Louis B. Schatz, Richard I. Cohen, Natalie W. Welsh, Amy Kirschbaum, Marin K. Lorenson

Your registration code is 0 2 0 5 1

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March 24, 2005 • CBIA, Hartford

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Company _____
Mailing Address _____
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