



401(K) REMINDER CHECKLIST

PLAN YEAR ENDING 2023

- BONUSES**
If you are paying out year-end bonuses, make sure you are withholding employee deferrals unless excluded by your plan document. If the plan allows special election for bonus, make sure to get documentation of the special election percentage.
- REQUIRED MINIMUM DISTRIBUTIONS**
Make sure any terminated participant who is over age 72 receives their distribution or has opted out if nonowner. Owners who are age 72 need to receive RMDs even if still employed.
- FORFEITURES**
Make sure any forfeitures are used.
- ACQUISITION AND MERGER**
Please notify RMS so the document can be updated and to determine if compliance testing will be affected.
- 2023 EMPLOYEE DEFERRALS**
To maximize 2023 deferrals, W-2 employees must withhold those deferrals prior to 12/31/23. Those who receive a K-1 may not know their final compensation by December 31, 2023. They will need to make an election to defer the maximum, if desired, by year end.
- PARTICIPANTS THAT OPT OUT OF DEFERRALS**
Make sure you have documentation that participants have been given the option to defer and that a 0% election is documented. Your Vendor/Custodian may do this for you.
- LONG TERM/PART TIME EMPLOYEES**
The Secure Act requires employers that maintain 401(k) plans to allow employees that work at least 500 hours for three consecutive years (beginning after 2021) to make employee contribution into the plan in 2024. Make sure you are collecting the correct hours.
- ORGANIZATIONAL OWNERSHIP**
If your ownership has changed in 2023, notify RMS to make sure our records are up to date.
- PLAN DESIGN**
Review your plan design to make sure it is meeting your company's needs.
- EXPENSE ACCOUNT**
If you have an expense account (ERISA bucket) in your plan, make sure that the balance is used.