403(b) DOCUMENT UPDATE

Presented By: Christine LeBlanc
403(b) Documents

- New IRS pre-approved documents now available
- Restatement deadline to get retroactive reliance is March 31, 2020
- Retroactive effective dates as early as 1/1/2010 can be used
- Custom effective date and custom language attachments with retroactive effective dates
403(b) Documents

• New service provider attachment
  • Approved vendors
  • Un-approved vendors
  • Service providers
  • Plan sponsor duties
403(b) Documents

• Restatement Deadline
  • March 31, 2020
  • If document was amended timely for final regulations then plan may have retroactive reliance back to 2010.
• All provisions must be documented in some form
  • Interim amendments
  • Special effective date addendum
403(b) Documents

5 types

• ERISA for 501(c)(3) Organizations
• Non-ERISA Deferral Only for 501(c)(3) Organizations
• Non-ERISA for Governmental Organizations
• Non-ERISA for Churches without RIA
• Non-ERISA for Churches with RIA
403(b) Documents

ERISA for 501(c)(3) Organizations

• Robust document intended to provide maximum flexibility

• Contribution Types Included
  • deferrals – pre-tax and Roth
  • voluntary after-tax
  • mandatory - after-tax and pre-tax
  • matching contributions
  • non-elective contributions
  • rollover contributions
403(b) Documents

ERISA for 501(c)(3) Organizations

• Other Provisions
  • ACP Safe Harbor
  • Auto-Enrollment – ACA, EACA, QACA
  • Integrated, Age Weighted, and Cross-Tested Non-Elective Contributions
403(b) Documents

ERISA for 501(c)(3) Organizations

• Testing Provisions
  • Designed to be Universal Availability compliant
  • All ERISA language included
  • ACP testing elections included
  • 410(b) failure language included
403(b) Documents

Non-ERISA 403(b) Deferral Only for 501(c)(3) Organizations

• Designed to be used by a 501(c)(3) organization that intends to meet the DOL safe harbor of limited employer involvement under 29 C.F.R. section 2510.3-2(f)

• Contributions Types include
  • Deferrals – pre-tax and Roth
  • Voluntary after-tax
  • rollover contributions
403(b) Documents

Non-ERISA 403(b) Deferral Only for 501(c)(3) Organizations

• Does not include
  • Matching or non-elective contributions
  • Safe harbor provisions
  • Automatic enrollment
  • Vesting provisions
403(b) Documents

Non-ERISA for Governmental and Church Employers

• Robust document intended to provide maximum flexibility

• Contribution Types Included
  • deferrals – pre-tax and Roth
  • voluntary after-tax
  • mandatory - after-tax and pre-tax
  • matching contributions
  • non-elective contributions
  • rollover contributions
403(b) Documents

Non-ERISA for Governmental and Church Employers

• Other Provisions
  • Auto-Enrollment – ACA
  • Integrated Non-Elective Contributions

• Not Included
  • Safe Harbor
  • Auto-Enrollment – EACA, QACA
  • Age-Weighted and Cross-Tested Non-Elective Contributions
403(b) Documents

• Non-ERISA for Church Employers
  • Steeple Church
  • Qualified Church Controlled Employers

• Retirement Income Account

• Not subject to Universal Availability