

LAR PENSIONS, LLC

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WWW.LARPENSIONS.COM

Re: Data Required for your Retirement Plan's 2023 Administration
File #

Dear Valued Client:

Please complete this brief worksheet so that we can update our records, inform you about your 2023 contribution possibilities, and prepare your annual valuation and 5500 filing forms.

If you intend to file with extensions, we will file your Plan's extension request Form 5558 for a fee of \$100.

"I intend on filing my taxes by March 15th or April 15th and funding my Plan before August"

"I would like extensions so that I can deposit my 2023 Plan Year Contributions after July 31st"

See last page for funding deadlines. The \$100 is for the last-minute expedited service and may be waived if deemed appropriate

Your Preferred Email:		
Preferred Phone #:		
Business Address:		
<i>New Business Address?</i>		

<i>Form of Business (Sole-P, LLC, etc.)</i>		
<i>Chosen Tax-Form (LLC or Corp)</i>		
<i>EIN (Employer Identification Number)</i>		
<i>6-Digit NAICS (Reference List)</i>		

The form of taxation above is especially important for LLC's - we need to know which form you elect. If you have sold any part of your business, changed its name, or acquired a new business, you need to write to us about it. Finally, if the names listed below are incorrect or inactive please provide the correct contact information.

Accountant Name:		
E-mail Address:		
Phone Number:		
Financial Advisor Name:		
E-mail Address:		
Phone Number:		

You may return all of the required information on these sheets to LAR Pensions, LLC via mail or fax to (203) 964-1949 or via e-mail to lcariri@larpensions.com and arupprecht@larpensions.com.

Best Regards,

Antonio Rupprecht
Principal

Plan Year 2023
Client #

CENSUS INFORMATION

Please list the company's owner(s) and their gross compensation for 2023, as per your W-2/K-1/Schedule C. If you do not know the exact amount yet but are sure it is over \$400,000, you can enter "Max". Employed direct family (Parent/Spouse/Adult Children) are considered owners for retirement plan purposes. Please include their 2023 compensation and mark their relationship to the owner. If an owner received a W-2 from another employer, please provide us a copy. (Do not include it in Gross Comp)

Name	% Owner	Sex	Relation	Date of Birth	Date of Hire	Date of Term	Hours Worked	Gross Compensation

If you have any non-related staff that you believe worked more than 500 hours in 2023, include them above. They may be eligible to participate in the Plan, and to determine that we will need their Dates and Hours.

PLAN ASSETS AND CONTRIBUTIONS

Please include a 12/31/2023 annual year-end statement for each financial institution the Plan invests with. If your total assets are under \$250,000, it is sufficient to simply indicate the amount below.

Description (4k/PS/Roth/DB)	Investment Firm & Account #	1/1/2023 Balance	12/31/2023 Balance
Life Insurance CSV			

Deposits Made...	401(k) Deferral (Pre-Tax)	Roth 401(k) (After-Tax)	Profit Sharing	Defined Benefit
In Calendar 2023 for 2022 Plan Year:				
In Calendar 2023 for 2023 Plan Year:				
<i>In Calendar 2024 for 2023 Plan Year:</i>				
Institution (or Account #) deposited at:				

If you withdrew any money from your Plan in 2023, please indicate the details and type of distribution.

Participant: _____ Date: _____ Amount: _____
 Loan In-service Distribution Age 72+ Required Minimum Distribution (RMD)

We will reach out to you if we need any more information to complete your Plan's administration. This may be the case if you have active loans, insurance contracts, or are taking RMDs (Age 72+). Finally, if you already have an idea what your contribution goals are for Tax Year 2023 please indicate them:

Specific Amount or Range of Contributions: _____ The MAXIMUM:

Thank you, we wish you a good start to the year and will get back to you soon.

Plan Year 2023
Client #

Important Deadlines for 2023 Plan Year Administration

Census and Asset information must be returned to LAR Pensions, LLC by:

January 31, 2024	All non Safe Harbor 401(k) Plans (or ASAP)
February 28, 2024	S-Corporations and LLC, not filing an extension (or ASAP)
April 1, 2024	C-Corporations and businesses not filing an extension (or ASAP)

Contribution Deposit Deadlines:

January 10, 2024	Final 401(k) Deferrals for 2023 must be deposited by 1/10/2024 for W-2 employees
March 15, 2024	Employer Contributions by ALL not filing an extension, except Sole Proprietors and C-Corporations
April 1, 2024	Final Safe Harbor Match deposits must be in the plan if funding was on a per payroll basis
April 15, 2024	Employer Contributions by Sole Proprietors and C-Corporations not filing an extension
September 16, 2024	Funding deadline for ALL except Sole Proprietors and C-Corporations, if on extension
September 16, 2024	Funding deadline for all 12/31 Defined Benefit Plans
October 15, 2024	Sole Proprietor funding deadline, if on extension

Filing/Reporting Deadlines:

January 15, 2024	To avoid IRS penalties and interest, please pay Tax withholding for 2023 last quarter distribution taxes due (Please consult your CPA to make payments by electronic fund transfer)
January 31, 2024	1099-R forms must be mailed to participants
January 31, 2024	Mailing of Form 945 filing due to IRS. (Note, if all taxes are paid in full, the form is due by February 10, 2024)
April 1, 2024	IRS 1099-R Electronic filing due date
July 31, 2024	Deadline for 5500 Return if not on extension
October 15, 2024	Final Deadline for 5500 returns with extension

THERE WILL BE A \$150 CHARGE FOR FILING FORM 5500 EXTENSIONS

LAR Pensions, LLC must receive confirmation of any Employer Contribution amount and date deposited before finalizing the year's administration by filing your 5500 return(s)

Other Important Deadlines and Information:

November 30, 2023	Distribution of 401(k) Plan's Fee Disclosure and Safe Harbor Notice		
December 15, 2023	Last Distribution package must be received by LAR for processing in 2023.		
March 15, 2024	Refunds due for failed ADP/ACP tests to avoid 10 % penalties		
April 30, 2024	PBGC forms due for NEW Defined Benefit Plans		
October 15, 2024	PBGC forms due for existing Defined Benefit Plans		
	<u>401(k) Deferrals</u>	<u>Individual Limit</u>	<u>Compensation Max</u>
2023 Limits:	\$22,500	D.C. \$66,000	\$330,000
2024 Limits:	\$23,000	D.C. \$69,000	\$345,000
2023 Catch Up Limit:	Those 50 (as of 12/31) & older could defer an additional \$7,500		

SECURE Act 2.0 Summary of Essential Changes

General Changes

- The onset of Required Minimum Distributions (RMD) has been pushed to Age 73 for Tax Year 2023 and penalties reduced.
- From Tax Year 2024, all after-tax "Roth" balances will no longer be considered for purposes of RMD's.
- Employers who make "Operational Errors" will likely be excused without penalty so long as they are fixed within a "Reasonable Timeframe"
- Employers who have accidentally overpaid a participant now have 3 calendar years to reclaim the money.
- There is no legal obligation for Employers to attempt recoupment and they can in fact decide NOT to reclaim the money.
- The PBGC's premium calculation has been changed such that premiums are more predictable and expected to be lower.
- The AFTAP form was revised to require a lot more information and this may end up costing Defined Benefit Plans more in administration fees.
- Those who currently file the full-sized Form 5500 may no longer need an independent Plan audit each year.

401k (Required)

- Part time employees who work more than 500 hours each year for two consecutive years must be allowed to defer 401(k)
- They are called "Long-Term Part-Time Employees" (LTPT) and will not be entitled to any kind of employer contribution until they qualify as regular participants.
- Entry dates are the same as those for regular participants and if the plan has auto-enrollment that will also apply to LTPT's.
- From Tax Year 2025, participants who are age 60, 61, 62, or 63 may contribute an additional \$10,000.
- From Tax Year 2026, Highly compensated employees (\$145,000+) and 5%+ Owners (plus their direct relatives) can only make their Age 50+ Catch-up contribution on an after-tax "Roth" basis. This rule applies to the Age 60-63 bonus too.

Safe Harbor Match and regular Matching (Optional)

- Plans with an employer matching feature (Match or Safe Harbor Match) can consider Student Loan repayments as a matchable contribution. The repayments would be added to the regular 401(k) and Roth deferrals and the participant would receive x% of that sum as per the Plan's matching formula.
- This feature is available from 2024 but we do not suggest it due to a number of outstanding questions about taxation.

Profit Sharing (Optional)

- Participants who are 100% vested may choose to receive their employer contributions on an after-tax "Roth" basis.
- The participant would pay taxes on this but the employer still deducts the contribution regardless of the participant's choice.
- Forfeitures must be used within 2 years and all existing forfeiture balances will be new as of 1/1/2024.

Defined Benefit (Optional)

- Plans can be amended retroactively so long as it is to improve the benefit formula.

In-Service Distributions (Optional, typically N/A to Defined Benefit)

- Hardship distributions do not waive the 10% penalty but they are by far the simplest to administer and have just gotten easier. Participants can be allowed to self-certify that they meet at least 1 of the 7 IRS criteria to take a Hardship without providing any documentation.
- This means no proof is necessary and the employer (if audited) will not be held liable for improper hardships if they cannot produce any evidence.

There are a variety of new in-service distributions that waive the 10% penalty if the conditions are met.

Quick shortlist: Qualified Birth or Adoption, Emergency Distribution, Domestic Abuse, Terminal Illness, Disaster Hardship

Some of them also allow for lump-sum repayment within 3 years.

All of them are optional features and we do not suggest any of them until somebody asks the Plan Sponsor for it.

Finally, there are new tax credits for employers who started a new Retirement Plan.

It is a large credit and a good summary by American Funds is on our website. <https://www.larpensions.com/links-resources>

The IRS page including the Form 8881 to claim: <https://www.irs.gov/retirement-plans/retirement-plans-startup-costs-tax-credit>

It was intended for Plans effective from 1/1/2023, but it is possible that it may be claimed by Plans that started in 2022 or 2021.

There is little guidance about whether companies that started a Plan before 2023 may take it and we are not tax advisors.

If you believe you may be eligible for these tax credits, please ask your accountant about them.