

Timing is Everything



Some helpful retirement planning tips from the IRS...

Employee Notices – At certain times, an employer is required to give notices to employees regarding your retirement plan. Here is information on some of the more common notices.

When You Start in Your Plan

- **Summary Plan Description:** The summary plan description contains information on what the plan benefits are and how they will be provided. You should receive a summary plan description within 90 days after becoming a participant.
- **Salary Deferral Election Form:** The salary deferral election form lets you designate how much money (either a percentage of pay or a certain dollar amount) to withhold from your future salary/wages to be deposited into the trust, if the plan provides for salary deferrals.
- **Beneficiary Designation Form:** The beneficiary form lets you designate who will receive benefits if you die before receiving all of your benefits. If you fail to complete this form before your death, the plan will pay benefits as described in the plan document.

When You Contribute to Your Plan

- **Individual Benefits Statement:** An individual statement reflecting your accrued benefit and vested pension amount. It may also identify benefits that may be forfeited upon your termination. It should be given to you at least once each quarter for individual account plans that permit participants to direct their investments and at least once each year, for individual account plans that do not permit participants to direct their investments.

When You Stop Working

- **Rollover Notice:** The notice, commonly known as a §402(f) Notice, generally explains the rollover rules, including the automatic 20% withholding. The plan administrator must provide it within a reasonable period of time but no less than 30 days and no more than 90 days before the distribution is to be made. The participant may waive the 30-day period.
- **Automatic Rollover Notice:** If your account balance is over \$1,000, then the law requires your plan to automatically roll it over to an IRA unless you say otherwise. The plan administrator must first notify you (either separately or as part of the §402(f) Notice), that your account will be rolled over to an IRA unless you elect otherwise.

Ask your employer or visit www.irs.gov/ep for additional information on these items.

