

# News Release



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## **Labor Department and IRS Unveil Booklet To Assist Small Businesses To Start, Operate 401(k) Plans**

**WASHINGTON** - The U.S. Department of Labor's Employee Benefits Security Administration (EBSA) and the Internal Revenue Service (IRS) today released a new booklet, "401(k) Plans for Small Businesses," as part of an ongoing effort to provide compliance assistance to small employers on retirement plan issues. The booklet provides a comprehensive overview of this popular retirement savings option and what is involved in starting and operating a 401(k).

The publication is designed to help small employers and plan officials better understand the important role they play in ensuring the security of their plan and their responsibilities under the Employee Retirement Income Security Act (ERISA). It also highlights some of the choices small-business owners have in establishing a 401(k) plan, including the type of plan to offer. The publication describes the three types of 401(k) plan designs currently available – traditional, safe harbor or SIMPLE 401(k) plans – and discusses the features and advantages of each.

"It is crucial that we encourage small businesses to provide these valuable benefits to workers," said Ann L. Combs, Assistant Secretary of Labor. "This publication draws a clear road map for employers who want to provide a plan, but need some friendly directions along the way."

The new guide, "401(k) Plans for Small Businesses," is available from EBSA's toll-free number at **1-866-444-EBSA (3272)** and can be viewed on both the DOL and IRS Web sites at [www.dol.gov/ebsa](http://www.dol.gov/ebsa) (under publications) and [www.irs.gov/ep](http://www.irs.gov/ep).

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