

403(b) / Tax-Sheltered Annuity Plans

Sweeping changes have been imposed on 403(b) plans in recent years, particularly with the final Internal Revenue Service (IRS) regulations issued in 2007. School district and other governmental 403(b) plans are among those dealing with the most changes to the way they were commonly operated in the past. In addition to a new written plan document requirement, managing the move to a single provider or use of information sharing agreements and third-party administrators can be a daunting task. Examples of our experience include:

- Drafting non-Employee Retirement Income Security Act (ERISA) 403(b) plan documents for school districts and governmental college, university and hospital plans.
- Providing non-ERISA specimen documents for 403(b) providers.
- Designing 403(b) plans that comply with the special rules for governmental plans and the many exceptions, and preparing salary reduction agreements and employee communications.
- Assisting with information sharing agreements and implementation of multi-vendor structures using a third party administrator.
- Assisting governmental plans sponsors and 403(b) providers in IRS audits.
- Advice regarding treatment of separation pay and non-elective employer contributions to 403(b) plans.
- Correcting 403(b) plan and contract errors under the IRS correction program, Employee Plans Compliance Resolution System.