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Page Title: What Fiduciaries Need to Know About Employee Benefit Plan Regulations in 2024 | [INSERT RELATED SERVICE] | [INSERT FIRM NAME]

Meta Description: [NAME OF FIRM] discusses some of the most important changes that are likely to affect Employee Benefit Plan fiduciaries in 2024.

Headline: What Fiduciaries Need to Know About Employee Benefit Plan Regulations in 2024

BODY COPY:

Fiduciaries for employee benefit plans (EBPs) have a challenging job. Staying on top of regulatory changes is a critically important part of that job. Congress, the U.S. Department of Labor (DOL) and other government entities constantly amend, adjust and repeal legal and regulatory requirements. This article discusses some of the most important changes that are likely to affect EBP fiduciaries in 2024.

Changes to Form 5500

[Form 5500](#) is a collaborative project by the DOL, the IRS and the Pension Benefit Guaranty Corporation (PDGC). It provides a single document the EBPs can use for the reporting requirements under the Employee Retirement Income Security Act (ERISA) of 1974. Calling it a “single” document seems misleading, of course, considering that there are several types of Form 5500 with numerous schedules.

The DOL and its partners announced [changes to the 2023 Form 5500](#) in February 2023 that will affect Form 5500 and Form 5500-SF filings in 2024. The following are some of the most significant changes:

New and Updated Schedules

The revised Form 5500 has new schedules and updates to existing schedules. Many of these changes originated in the Setting Every Community Up for Retirement Enhancement (SECURE) Act of 2019.

The new schedules added to Form 5500 address distinctions made by the SECURE Act among different types of EBPs. The law establishes pooled employer plans (PEPs) and defined contribution groups (DCGs). Employers may now choose between PEPs, DCGs and multiple employer plans (MEPs), which date to the early 20th century. Form 5500 now includes Schedule MEP and Schedule DCG for the new types of plans.

The following schedules have undergone updates:

- Schedule H (Financial Information)
- Schedule MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information)
- Schedule R (Retirement Plan Information)
- Schedule SB (Single-Employer Defined Benefit Plan Actuarial Information)

Participant Counts

Plans that have fewer than 100 participants and meet certain other criteria qualify for simplified reporting procedures. The Form 5500 changes affect the methodology for counting plan participants to determine if they meet the 100-participant requirement.

The earlier methodology counted all employees who were eligible to participate in a plan, whether they were participating or not. The new methodology only counts individuals with account balances.

The idea behind this change is to encourage more employers to offer EBPs to their employees. The new methodology delays the point at which plans must comply with the full reporting requirements, which should lead to reduced costs for employers who offer EBPs with fewer than 100 participants.

Changes from SECURE 2.0

The SECURE 2.0 Act of 2022 built on the SECURE Act's efforts to encourage employers to offer retirement plans as an employee benefit. Some significant changes include the following:

Required Minimum Distributions

As of January 1, 2023, SECURE 2.0 raised the age when retirees must take required minimum distributions (RMDs) from 72 to 73. The minimum age will increase to 75 in 2033. The law also reduced the penalty for failure to take an RMD from 50% to 25%. Timely correction of a failure to take an RMD lowers the penalty to 10%.

Catch-Up Contribution Limits

Beginning with the tax year 2024, the \$1,000 catch-up contribution limit for people who are at least 50 years old will be indexed to the [IRS cost-of-living-adjustment \(COLA\)](#). The limit currently remains at \$1,000, but will now increase along with other contribution limits tied to the COLA.

Emergency Access to Retirement Accounts

SECURE 2.0 allows emergency access to retirement savings without penalties starting on January 1, 2024 in the following situations:

- Up to \$1,000 once a year for emergency personal or family expenses; or
- Up to \$10,000 or 50% of the account balance, whichever is lesser, for domestic abuse survivors.

Automatic Retirement Plan Enrollment

Employers will be required, starting in 2025, to make enrollment in new 401(k) or 403(b) plans automatic for eligible employees. This requirement will begin with a minimum participation amount of 3% and a maximum of 10%. Those rates will increase by 1% each year until they reach 10% and 15%.

Long-Term Part-Time Employees

Starting in 2025, long-term part-time employees will become eligible for retirement benefits after two years of employment. A "long-term part-time" employee is defined as someone who, starting in 2020, has worked at least 500 hours but fewer than 999 hours per year, for three years in a row.

Contribution Limits

The IRS announced [new 2024 contribution limits](#) based on the COLA:

- IRAs: Increased from \$6,500 to \$7,000
- 401(k) and 403(b) plans: Increased from \$22,500 to \$23,000

New Audit Standards

The American Institute of Certified Public Accountants (AICPA) has issued statements that affect the following auditing standards, effective for tax years starting after December 15, 2023:

- [SAS No. 143](#)
- [SAS No. 144](#)
- [SAS No. 145](#)

Learn More About Changes That May Affect Employee Benefit Fiduciaries in 2024

Laws like the SECURE Act and SECURE 2.0 have made substantial changes to the regulations affecting EBP fiduciaries. Keeping up with the latest developments is often difficult, but it is essential to maintaining compliance.

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If you have any questions or would like additional information, please contact [NAME] in our [DEPARTMENT] at [NUMBER] or [EMAIL].

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