



# GENERAL RELEASE

July 26, 2023

## Update: SECURE Act 2.0

Dear Plan Sponsor,

As you are aware, the SECURE 2.0 Act of 2022 included significant changes to the IRS code provisions that govern your organization's 403(b) and/or 457(b) plan. One significant change is the 2024 requirement that age 50 catch up contributions be made on a Roth basis. This requirement only applies to participants whose prior year wages exceeded \$145,000. Additionally, the salary requirement only applies to wages earned with your organization. As such, for 2024, only employees who worked with your organization in 2023 and made over \$145,000 are required to make Roth age 50 catch up contributions.

Currently, your 403(b) and/or 457(b) plan(s) does not permit Roth contributions. Therefore, in preparation of the mandatory Roth catch up contributions in 2024, your organization must complete the following: (1) amend your plan document to permit Roth contributions; and (2) review and revise your organization's payroll software and processes to permit Roth contributions.

### **Plan Document Amendment**

In the near future, OMNI/TSACG will provide you with a plan document amendment to permit the Roth feature in your plan. Once you receive the amendment, please execute and return it us at your earliest convenience. Once your plan permits Roth, our compliance team will assist in adding the Roth option for each authorized investment provider.

### **Review and Revise Payroll Software and Processes**

Please set up the Roth feature with your payroll software provider and review and revise payroll processes to accommodate the deferral of Roth contributions.

It is important to note that in 2024 we will need some additional information from you. In order to ensure compliance with the new provisions, OMNI/TSACG must be able to proactively monitor the new Roth component of the maximum allowable contribution limit. To that end, beginning in 2024 OMNI/TSACG will require prior year salary information for all employees in your organization. We will be providing further directions regarding submission of this information as we get closer to the end of the year.

OMNI/TSACG is working with the investment providers in your plans to provide a seamless implementation of SECURE 2.0, including the new Roth mandatory catch up contribution. In order to ensure proper administration, OMNI/TSACG, as your TPA, will be providing direction to your authorized investment providers regarding the Roth catch up contribution provision. If you receive a communication from an investment provider concerning the above, please contact OMNI/TSACG's compliance department so we can ensure your investment providers receive accurate information regarding the administration of your plan.

If you have any questions about the above or anything 403(b) or 457(b) related, please contact Plan Support at 1-877-544-6664.

Regards,

U.S. OMNI & TSACG Compliance Services

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