

SOLO 401(k) PLANS FOR OWNER-ONLY BUSINESSES AND SELF-EMPLOYED INDIVIDUALS

As a small business owner, you may have heard of Solo 401(k) plans or Individual(k) plans. These types of plans offer significant tax advantages and long-term retirement savings for owner-only businesses and self-employed individuals. However, you must understand that these terms are merely labels geared towards marketing the plans and do not indicate a particular type of plan! A Solo 401(k) or Individual(k) plan is a typical 401(k) plan covering a business owner with no employees.

Key Solo 401(k) Details:

- Available for sole proprietorships, partnerships, and corporations
- Business cannot have any employees other than the owner(s) and their spouse
- Owner's spouse who is an employee of the business may participate in the Solo 401(k) plan
- Solo 401(k) plan includes pre-tax and Roth deferrals, company contributions, and rollovers
- Plan will automatically pass nondiscrimination requirements when there are no employees
- Form 5500 filing not required if combined plan assets on last day of year are less than \$250,000

► How Can CRI TPA Services Support Your Solo 401(k) Plan?

Many large institutions that sell Solo 401(k) plans give the owner a blank adoption agreement to fill out with little to no assistance from the institution. This lack of oversight could lead to complicated and difficult compliance issues if you are not experienced or knowledgeable in preparing plan documents and selecting appropriate optional features. Using CRI TPA Services for your tailored plan design and document preparation helps ensure that your 401(k) plan meets your goals and retirement planning objectives.

► CRI TPA Services Solo 401(k) Provided Services

Plan Design and Document Preparation

- Qualification review to ensure business is eligible to sponsor a Solo 401(k) plan
- Preparation of a plan document package with sponsor-selected plan benefits and features
- Ongoing maintenance of plan documents with periodic amendments, as required

Annual Recordkeeping and Review

- Preparation of participant allocation report with benefit statements
- Verification to ensure there are no employees on payroll
- Assist accounting advisory team with eligible compensation and contribution calculations
- Distribution calculations assistance and 1099-R reporting of periodic withdrawals from the plan

Annual Form 5500 Filing (if assets exceed \$250,000 on last day of the year)

- Preparation and e-file services of Form 5500 with employer signature