

## Year End Retirement Checklist

**Review all sections that apply to your payroll**

\* *Details and instructions for each section can be found on the pages listed*

**1. EMPLOYER-ONLY CONTRIBUTION RETIREMENT PLANS - page 2**

- *Complete if you have an employer-only contribution retirement plan*

**2. EMPLOYEES WITH ROTH AND TRADITIONAL 401(k)s - page 2**

- *Complete if you have employees who contribute to both a Roth AND a traditional 401(k)*

**3. 401(k) CONTRIBUTION AMOUNTS FOR 2023 - page 3**

- *Review if you want to maximize contribution amounts in 2023 and/or employees are eligible for catch-up contributions*

## 1. EMPLOYER-ONLY CONTRIBUTION RETIREMENT PLANS

### a) If you have an employer-only contribution retirement plan (e.g. SEP, pension plan):

- Email [support@easytrackpayroll.com](mailto:support@easytrackpayroll.com) with a *list of employees who were Active Participants in 2022*
  - i. Active means that they were eligible to receive contributions, even if they did not receive any. We are required to check the Retirement Box on their W-2s.
  - ii. We do **NOT** need to know the **amount** contributed, just the names of the employees

## 2. EMPLOYEES WITH ROTH AND TRADITIONAL 401(k)s

### a) Review all employees who contribute to *both* a Roth AND a Traditional 401(k)

- **How to Review:**
  - i. Click the **Reports** icon in the menu on the right side of the screen 
  - ii. Under the **Management** column, select **Deductions Summary**
  - iii. Enter 1/1/2022 to 12/31/2022 or select *This Year* from the dropdown
  - iv. Click the **Printer** icon in the dark gray bar at the bottom of the screen 
  - v. For any employees who contributed to *both types* of 401(k):
    - ❖ Sum up the amounts shown for their Roth and Traditional 401(k) and confirm that the TOTAL does *not exceed* the maximum contribution limit for the year

#### **Contribution Limits for 2022 are:**

- **Regular:** \$20,500
- **Catch-Up** (employees who are 50 years old or older): \$27,000
- ❖ *If you have not yet submitted your final payroll of the year, but an employee is close to their maximum allowable contribution for the year:*
  - Reference the amount they contribute per paycheck to see if they will exceed the limit on the final paycheck.
  - [Contact us](#) to ensure they do not exceed the limit
- ❖ [Contact us immediately](#) if you find an employee **has exceeded the limit.**

**This is very important.**

***All corrections and adjustments must be made prior to December 27.***

***Any corrections needed AFTER we process year-end will be charged a correction fee.***

### 3. 401(k) CONTRIBUTION AMOUNTS FOR 2023

\* **IMPORTANT:** ALL updates must be done **AFTER** the last paycheck of 2022 and **BEFORE** the first paycheck of 2023

a) To **max out** contributions for 2023 (*confirm this with the employee*), update contribution amounts as follows:

▪ **How to Update:**

- i. Click the **Employees** icon from the menu on the right side of the screen 
- ii. Navigate to the employee you want to work on (select from dropdown menu or click arrow icons to scroll through employees)
- iii. Click the **Deductions** tab
- iv. Determine the Deduction **amount**

❖ Take the *contribution limit* and divide it by the *number of pay periods* in the year

**Contribution Limits for 2023 are:**

- **Regular:** \$22,500
- **Catch-Up** (employees who are 50 years old or older): \$30,000

**Number of Pay Periods in a year:**

- **Weekly** pay schedule: 52
- **Every other week** (bi-weekly) pay schedule: 26
- **Twice a month** (semi-monthly) pay schedule: 24
- **Monthly** pay schedule: 12

Example – if you are *under 50 years old* and have a *monthly* pay schedule:  
 $\$22,500/12 = \$1,875$  per pay period

- v. Enter the amount you calculated in the box for the 401(k) deduction

**IMPORTANT:** Make sure you are selecting the correct deduction for how the employee contributes to their 401(k) – via a *percentage* of their pay or a *fixed dollar amount*.

If a percentage, you will need to update the percentage for the deduction that shows “% of Gross” in the Criteria column.

If a fixed dollar amount, you will need to update the amount for the deduction that shows “Fixed Amt (\$)” in the Criteria column.

- vi. Make sure the box for this deduction is *checked*
- vii. Click **Save** in the dark gray bar at the bottom of the screen

**b) If an employee will turn 50 years old AT ANY TIME in 2023, they are eligible for additional (Catch-Up) contributions**

▪ **How to Update:**

- i. Click the **Employees** icon from the menu on the right side of the screen 
- ii. Navigate to the employee you want to work on (select from dropdown menu or click arrow icons to scroll through employees)
- iii. Click the **Deductions** tab

❖ If you see a deduction called **401(k) for EE 50+ (D)**

- Uncheck the box for “401(k) (D)” that had previously been checked
- Check the box for “401(k) for EE 50+ (D)”

**IMPORTANT:** Make sure you are selecting the correct deduction for how the employee contributes to their 401(k) – via a *percentage* of their pay or a *fixed dollar amount*.

If a percentage, you will need to check the box next to the deduction that shows “% of Gross” in the Criteria column.

If a fixed dollar amount, you will need to check the box next to the deduction that shows “Fixed Amt (\$)” in the Criteria column.

If you do not see the deduction you need, [contact Easytrack](#) to set this up for you

- Enter the Amount or Percentage that should be deducted each paycheck in the respective box next to “401(k) for EE 50+ (D)”
- Click **Save** in the dark gray bar at the bottom of the screen

❖ If you do **NOT** see a deduction called **401(k) for EE 50+ (D)**

- [Contact Easytrack](#) to set this up for you