

## 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 **Reports** from the menu on the left side of the screen
    - ii. Select **Employee Summary**
    - iii. Enter *1/1/2022 to 12/31/2022* or select *Year to Date* from the dropdown and click **Update List**
    - iv. For any employees who contributed to *both types* of 401(k):
      - ❖ Sum up the amounts shown in the **Deductions** column 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 **Workers** from the menu on the left side of the screen
- ii. Click the name of the employee you want to update
- iii. Click **Job** and then **Deductions** from the blue bar at the top of the screen
- 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
- vi. Click anywhere on the screen in order for this amount to stick

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 **Workers** from the menu on the left side of the screen
- ii. Click the name of the employee you want to update
- iii. Click **Job** and then **Deductions** from the blue bar at the top of the screen
- iv. Under the word **Preferences**, toggle the **Use 401(k) Catchup Limit** option to **On**
- v. Update the **Amount** to be deducted *per pay period* in the respective box (as necessary)