

403(b) Plan

Outline (For plan years beginning in 2023)

403(b) / Roth

100% up to \$22,500 (age 50 - \$6,500 Catch-up)

MATCH

Limit combined with Profit Sharing

EMPLOYER

0-25%

eligible compensation

ACP TEST

Usually NHC avg. Match + 2% = HC max avg.

NHC Match%

5 10 0

<u>5</u>

5% avg. + 2% = 7% (max HC avg. is 7%)

Prior yr. method for first yr. 3% assump. + 2% = 5%

TRUST

- Deposits not taxed to employee
- Tax deferred growth
- Protected from creditors

ALLOCATION

Proportional SS Integration Age Weighted New Comparability

ELIGIBILITY

Immediate to all for deferral portion

Age 21 1 year

1,000 hours per year

VESTING

Effective DOH or plan start 401(k) - 100%PS / Match - usually: 0 - 20 - 40 - 60 - 80 - 100%

SAFE HARBOR

Automatically pass ACP test,

100% vested, includes term. emp. / exist 90 days

- 1) 3% PS contrib.
- 2) Match roughly \$1 for \$1 up to 4% pay (6% max)
- 3) Auto Enroll with 3½% match (vesting)

INDIVIDUAL LIMIT

100% up to \$66,000 (\$73,500 if age 50)

COMPENSATION LIMIT \$330,000