

Get Answers

About Your ADP SIMPLE IRA Year-End Responsibilities



FOR PLANS THAT HAVE A DESIGNATED FINANCIAL INSTITUTION

Q. Why do I have to complete form(s) every year?

- A. Each year, the IRS requires you to provide eligible employees with a notice that details the employer contribution you will make in the following year and include a copy of the plan's provisions. To satisfy this requirement, you must complete a *Model Notification to Eligible Employees*, attach a copy of your *IRS Form 5305-SIMPLE* (Articles 1 through VI), and provide these forms to eligible employees by November 1. These forms must also be provided to newly-eligible participants within 60 days of becoming eligible.

New for 2024/2025: Due to changes in SIMPLE plan provisions under the SECURE 2.0 Act, you must complete the *SECURE 2.0 Act SIMPLE Plan Changes* and provide a copy to eligible employees with your above forms.

Q. When is the deadline to complete the forms and notify employees?

- A. You need to complete and distribute the forms to your eligible employees by November 1 to satisfy the IRS's 60-day notice requirement.

Q. Where can I locate my original documents?

- A. ADP emailed your original documents to the email address that was provided to them when the plan was established. If you're unable to locate the email, ADP can resend it upon request.

Q. If nothing is changing, do I need to complete *IRS Form 5305-SIMPLE* each year?

- A. If the provisions on your 5305-SIMPLE form are not changing, you do not need to complete a new one.

Q. Who should get a copy of the completed forms?

- A. Provide a copy of your Model Notification, 5305-SIMPLE form and *SECURE 2.0 Act SIMPLE Plan Changes* by November 1 to each eligible employee, as well as to newly-eligible employees within 60 days of becoming eligible. Additionally, provide a copy to ADP if you are modifying the plan for the upcoming plan year. **Do not send these forms to American Century Investments, even if you are changing the plan.**

Q. If I don't have employees, do I still need to complete the form(s)?

- A. We believe it is beneficial for you to have updated copies on file.

Q. What do I do if I missed the deadline to notify employees?

- A. We still encourage you to complete and distribute the forms. You may need to seek guidance from a tax professional to determine if additional steps are needed.

Q. What if I am no longer operating the SIMPLE plan?

- A. Contact ADP at **800-664-5446** to request a SIMPLE plan termination form.

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