

403(b) Plan

403(b)(9) Retirement Income Accounts

Worksheet 16 – Determination of 403(b) Status

Instructions – All items must be completed. A “Yes” answer generally indicates a favorable conclusion is warranted, while a “No” answer indicates a problem exists. Use the space on the worksheet to explain any “No” answer.

IF THE PLAN IS A 403(b)(9) RETIREMENT INCOME ACCOUNT PLAN, USE THIS WORKSHEET FIRST. This worksheet also notes special rules that apply to 403(b)(9)s in regard to requirements on other worksheets.

The technical principles in this worksheet may be changed by future regulations or guidelines

Name of plan

I. Applicability	Plan Reference	Yes	No	N/A
a. Is the Retirement Income Account a defined contribution program				
b. Does the plan specifically state that it is intended to constitute a retirement income account under section 403(b)(9)				

Explain any "No" answers in this section

II. Employer Eligibility to Sponsor/Employee Eligibility to Participate	Plan Reference	Yes	No	N/A
a. Is the adopting employer a church-related organization as described in section 1.403(b)-2(b)(6)				
i. A church, a convention or association of churches, or an elementary or secondary school of such (see section 3121(w)(3)(A))				
ii. A church retirement/welfare board if controlled or associated with a church (see section 414(e)(3)(A))				
iii. A qualified church-controlled organization (see section 3121(w)(3)(B)), or				
iv. A self-employed minister or chaplain (see section 414(e)(5)(A)), but solely with respect to a retirement income account established for that minister/chaplain				
b. Is eligibility under the plan limited to employees (as defined in section 1.403(b)-2(b)(9)) of a church-related organization (including a Non-QCCO) and their beneficiaries (including self-employed ministers and chaplains)				

Explain any "No" answers in this section

III. Requirements to be a 403(b)(9) Retirement Income Account	Plan Reference	Yes	No	N/A
a. Does the plan require separate accounting for the retirement income account's interest in the underlying assets of the plan				
b. Does the plan require that the investment performance of the account is based on gains and losses of those underlying assets				

III. Requirements to be a 403(b)(9) Retirement Income Account	Plan Reference	Yes	No	N/A
c. Does the plan provide that the assets held in the account cannot be used for, or diverted to, purposes other than for the exclusive benefit of plan participants or their beneficiaries				
d. Does the plan provide that assets are treated as diverted to the employer if there is a loan or other extension of credit from assets in the account to the employer				

Explain any "No" answers in this section

IV Funding Vehicles	Plan Reference	Yes	No	N/A
<p>a. If the plan document provides for commingling of retirement account assets in a common fund, are they allowed to be commingled only with amounts devoted exclusively to church purposes</p> <p>Note: Answer N/A if the plan does not provide for commingling in a common fund and answer No if the plan provides for commingling in a common fund but does not limit it to amounts devoted exclusively to church purposes.</p>				
<p>b. If the plan document provides for the use of a group trust, does it provide that only the following assets may be invested in the group trust</p> <ul style="list-style-type: none"> • Trust assets held under a retirement income account • Trust assets held under a custodial account • Trust assets held under a qualified plan (under section 401(a)), and • Trust assets held under an individual retirement plan (under section 408(a) or (b)) <p>Note: Answer N/A if the plan does not use a group trust.</p>				

Explain any "No" answers in this section

V. Nondiscrimination	Plan Reference	Yes	No	N/A
a. Are 403(b) elective deferrals the only contributions? If yes, skip this section. If no, continue				
<p>b. If the employer is not a church or QCCO, does the plan contain nondiscrimination language</p> <ul style="list-style-type: none"> • See Worksheet 1A, Eligibility, for rules on universal availability for elective deferrals. • See Worksheet 1A, Eligibility, for minimum coverage provisions. • See Worksheet 11A, Coverage and Nondiscrimination Requirements for Matching Contributions and Employee After-Tax Contributions, for matching and after-tax provisions. • See Worksheet 5B, Coverage and Nondiscrimination Requirements for Employer Contributions (Other than Matching Contributions), for 401(a)(4) nondiscrimination requirements. • See Worksheet 6A, Limits, for other nondiscrimination requirements. 				

Explain any "No" answers in this section

VI. Limits	Plan Reference	Yes	No	N/A
a. See Worksheet 6A for limits on contributions (including special rules for "denominational service")				

Explain any "No" answers in this section

VII. Distributions	Plan Reference	Yes	No	N/A
a. If the plan provides for benefits in the form of a life annuity, do the plan provisions satisfy the present value and benefit guarantee requirements of section 1.403(b)-9(a)(5) and is the present value based on reasonable actuarial assumptions that are either set forth in the plan or incorporated by reference into the plan				
b. Does the plan restrict distributions in accordance with the rules applicable to annuity contracts (even if the retirement income account is invested solely in mutual funds) See Worksheet 15, Distributions.				
c. Does the plan provide that ownership or use by a participant or beneficiary of any asset in a retirement income account is treated as a distribution of that asset to the participant or beneficiary				

Explain any "No" answers in this section