

A retirement plan helps people save. **Automatic Enrollment** makes it easier.

Retirement plans are a great way for you and your employees to save for the future, and they offer tax advantages and incentives that can be used today. When you automatically enroll employees in your plan, it's easier to start and maintain a successful plan.

Whether you're thinking about starting a new retirement plan with automatic enrollment or adding an automatic enrollment feature to your current plan, visit www.irs.gov/retirement for unbiased, up-to-date information.

In short, automatic enrollment:

- **Gets employees saving for their future**
- **Increases employee participation in the plan**
- **Helps the plan pass nondiscrimination testing**

HOW AUTOMATIC ENROLLMENT WORKS.

Automatic enrollment is a feature that can be added to the following kinds of new or existing retirement plans: 401(k), 403(b), governmental 457(b), SARSEP and SIMPLE IRA plans.

Automatic enrollment means employers deduct a certain percentage (or amount) from each eligible employee's paycheck and deposit it into the employee's retirement account. Employees can opt out of the automatic deduction from their salary or change the amount they have deducted.

IT'S EASIER THAN EVER TO SAVE FOR RETIREMENT.

The IRS has made it easier for companies that sell certain pre-approved SIMPLE IRA plans to add automatic enrollment.

To add automatic enrollment to your existing plan or to establish a new plan with automatic enrollment, contact your pre-approved plan provider or a benefits professional.

5 STEPS TO GET STARTED.

1. Decide which plan is best for you, your business and your employees.
 - Compare plans by using the IRS Retirement Plans Navigator at www.irs.gov/retirement.
 - Choose from different types of automatic enrollment arrangements.
2. Adopt a written plan document—the foundation for day-to-day plan operations.
3. Establish a trust for the plan's assets—to assure they are used solely to benefit the participants and their beneficiaries.
4. Develop a recordkeeping system—to track and properly attribute contributions, earnings and losses, plan investments, expenses and benefit distributions.
5. Provide notices to employees—with information about plan benefits, rights and features.

ADDITIONAL RESOURCES:

Once you've established your automatic enrollment plan, please visit www.irs.gov/retirement for more information on operating your plan:

- Automatic Enrollment 401(k) Plans for Small Businesses.
- SIMPLE IRA Plans for Small Businesses.
- Retirement Plans FAQs Regarding Automatic Contribution (Enrollment) Arrangements.

LEARN MORE AT www.irs.gov/retirement.

An easy guide to automatic enrollment for small employers

