

403(b) Plan

Miscellaneous Provisions

Worksheet 4A – 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.

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

Name of plan

I. Terminations	Plan Reference	Yes	No	N/A
a. Does the plan expressly provide that upon plan termination all accumulated benefits under the plan will be fully vested and distributed to all participants as soon as administratively practicable				
b. Does the plan provide if the plan is terminated, the plan administrator or custodian may distribute an individual custodial account in kind to a participant or beneficiary of the plan? (Optional)				
c. Does the plan state that the distributed custodial account will be maintained by the custodian on a tax-deferred basis as a section 403(b)(7) custodial account, similar to the treatment of fully paid individual annuity contracts under Rev. Rul. 2011-7, until amounts are actually paid to the participant or beneficiary? (Optional. Required if the plan allows ICA distributions)				
d. Does the plan provide that the employer or related employer may not make contributions to an alternative section 403(b) contract that is not part of the plan during the period beginning on the date of plan termination and ending 12 months after the distribution of all assets from the plan (but see 2% exception)				
e. Does the plan prohibit further contributions to a 403(b) contract if it ceases to be an eligible employer				

Explain any "No" answers in this section

II. Rollover Contributions, Exchanges and Transfers	Plan Reference	Yes	No	N/A
Note: See more rules for Rollovers in Worksheet 15				
a. Does the plan document state whether it will accept contributions of eligible rollover distributions? If rollovers are not accepted do not complete items (II)(b) through (d)				
b. If the plan accepts contributions of eligible rollover distributions that include after-tax employee contributions and/or designated Roth contributions, does the plan require that information about the employee's section 72 basis in the amount rolled over be provided				
c. If the plan accepts eligible rollover distributions that include designated Roth contributions, does it also permit employees to make elective deferrals that are designated Roth contributions				
d. If the plan allows in-plan Roth rollovers, is this specified in the plan document, and does it provide				
i. A qualified Roth contribution program (as defined in 402A(b))				
ii. Only vested amounts are eligible for an in-plan Roth rollover				

II. Rollover Contributions, Exchanges and Transfers Note: See more rules for Rollovers in Worksheet 15	Plan Reference	Yes	No	N/A
iii. Any in-plan Roth rollovers of otherwise nondistributable amounts can only occur via a direct rollover (unlike distributable amounts which may instead use a 60-day rollover method); and				
iv. Otherwise nondistributable amounts rolled over remain subject to the distribution restrictions that applied to them before the in-plan Roth rollover				
e. Does the plan permit recontributions of Qualified Birth or Adoption Distributions (required if a Qualified Birth or Adoption Distribution is permitted by the plan and the participant is eligible for rollover at the time of repayment) Note: If the plan allows for QBADs, it must define eligible adoptee as excluding children of the taxpayer's spouse.				
f. If the plan allowed for coronavirus-related distributions, does the plan permit recontributions of those distributions if permitted under the investment arrangement				
g. Does the plan permit recontributions of a distribution for a federally declared disaster if legislation or guidance authorizes such a recontribution and if permitted under the investment arrangement				
h. If plan-to-plan transfers are permitted, may the plan administrator permit the transfer of assets to another 403(b) plan for a participant or beneficiary only if the conditions under 1.403(b)-10(b)(3) are met				
i. Does the plan provide for transfers to a qualified plan only if				
1. The transfer is for the purchase of permissive service credit under a governmental defined benefit plan, or				
2. The transfer is for a repayment to which section 415 does not apply under section 415(k)(3)				
j. Plan contract requirements				
i. Does the plan specify whether contract exchanges within the plan among vendors of investment arrangements for use under the plan are permitted				
ii. Does the plan provide that the contract of a participant or beneficiary may only be exchanged in accordance with the provisions in section 1.403(b)-10(b)(2)				
iii. Does the plan provide that the contract is not transferable per section 1.403(b)-3(a)(5)				
iv. (Optional) Does the plan only allow transfers or mergers between 401(a) plans maintained by the same church or association of churches? If so, the accrued benefit must not be less after the merger or transfer				

Explain any "No" answers in this section

III. Funding Issues	Plan Reference	Yes	No	N/A
a. Are all amounts contributed to the plan invested in an annuity contract, a custodial account or, if the plan is a 403(b)(9) plan, a retirement income account				
b. Does the plan provide the investment arrangements' annuity contracts or custodial accounts will satisfy the requirements of section 1.403(b)-8 Note: a retirement income account that is treated as an annuity contract is not a custodial account (see Worksheet 16)				
c. Does the plan provide contributions to the plan will be transferred to the vendor within a period not longer than is reasonable for proper administration or, for elective deferrals, within a specified period after the date that the amounts would otherwise have been paid to the participant				

Explain any "No" answers in this section

IV. General Issues	Plan Reference	Yes	No	N/A
a. Does the plan provide that with respect to qualified military service, contributions, benefits, and service credits will be provided in accordance with section 414(u)				
b. Are the survivors of any participants who die while on military service entitled to any additional benefits that would have been provided under the plan had the participant resumed employment and then terminated employment on account of death				
c. Does the plan prohibit the diversion of any part of the assets and income of a custodial account for any purpose other than for the exclusive benefit of the participants and their beneficiaries prior to the satisfaction of all liabilities in accordance with section 1.403(b)-8(d)(2)(iii)				
d. Does the plan provide that any distribution from the plan pursuant to a domestic relations order (applicable only to churches and governments) or a qualified domestic relations order (QDRO) is treated in the same manner as a distribution from a plan to which section 401(a)(13) applies pursuant to 414(p)(9) Note: The distribution restrictions under 1.403(b)-6 are not violated by such distributions				

Explain any "No" answers in this section