

News and Updates

Secure 2.0 – What you can do now in preparation for the upcoming changes:

Catch-up & Roth: To keep your retirement plan's catch-up provision for high-income employees, your plan will need to have a Roth salary deferral source in 2024. If your plan does *not* have a Roth source, please reach out to your Alliant contact to set this up. Adopting this provision may take up to 60-90 days depending on the recordkeeper and payroll provider.

Your plan must have Roth starting in 2024 to facilitate catch-up contributions from employees who earn \$145,000+ in 2023.

Plans with hours requirements for eligibility and/or exclude part-time employees:

From Secure 1.0:

Employees who complete three consecutive years of at least 500 hours of service will be eligible to participate in the elective deferral portion of the retirement plan starting January 1, 2024. Service prior to 2021 will be disregarded.

From Secure 2.0:

Employees who complete at least 500 hours of service for two consecutive years will be eligible to participate in the elective deferral portion of the retirement plan starting January 1, 2025. Service prior to 2023 will be disregarded.

This requires that plan sponsors be tracking hours for these part time employees starting January 1, 2021.

Participant News

Time is a critical factor in goal setting that can shape your financial objectives. With each day that goes by without financial contributions, the cost of reaching your goals may increase. Along your goal-setting journey, you may encounter various obstacles.

Time's Value: The longer you have to grow your money, the better. Less time available could mean higher costs to achieve goals—known as "the cost of waiting."

Risk vs. Time: With ample time, money leverages compounding interest, reducing the need for higher returns and associated risks. However, assuming greater risks to compensate for lost time may impact your financial goals.

Inflation: Over time, inflation erodes money's true value, undermining purchasing power. Accounting for inflation is crucial when calculating the cost of achieving your retirement objectives.

Taxes: Taxes are a certainty that can impede progress toward goals. Proper planning and effective tools can help manage and reduce their impact.

Life's Surprises: Unexpected challenges often arise, requiring frequent goal review and adjustment to stay on track and navigate uncertainties with resilience.

Financially Speaking

Each month we host a webinar designed to improve participant's financial literacy and encourage financial wellness. To be added to the subscription list, click [here](#).

Third Quarter Webinars:

- **Jul 20:** Roadmap to Retirement: A Holistic Overview of Retirement Planning
- **Aug 17:** Health Savings Accounts
- **Sep 21:** Medicare Solutions – Plans, Options and Overview

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