

# 401(k) Answer Book Update Notification, Highlights

## 401(k) Answer Book

### 2019 Edition

by Empower Retirement

*401(k) Answer Book* is the most comprehensive one-volume desk reference for pension administrators, human resources managers, fund managers, trustees, accountants, attorneys, consultants, financial advisors, and anyone who deals professionally with 401(k) plans. The authors, all experts in the 401(k) field, draw on their years of experience to present the information you need to know in an easy-to-use format.

### Highlights of the 2019 Edition

The 2019 Edition of *401(k) Answer Book* brings the practitioner up to date on legal and regulatory measures and other developments that have had significant impact on retirement plans and their administration, including:

- Explanation of a new IRS guidance on student loan benefit funded through a 401(k) plan (see below at the end of the Highlights)
- Information on the current status of the DOL's final fiduciary rule modifying the definition of a fiduciary (see [chapter 5](#)) and the definition of non-fiduciary investment education with respect to plan fiduciaries, plan participants, and beneficiaries, and, in an expansion of prior law, IRA owners (see [chapter 8](#)), including the impact of the Fifth Circuit's decision in *U.S. Chamber of Commerce v. DOL*
- A discussion of the SEC's proposed rule regarding the best interest standard of care for broker-dealers (see [chapter 5](#))
- Update regarding changes to hardship distributions under the Bipartisan Budget Act, including (1) the elimination of the rule requiring participants to take a plan loan before taking a hardship distribution, (2) the elimination of the rule prohibiting participants from deferring for six months following a hardship distribution and (3) the elimination of the rule prohibiting hardship distributions from safe harbor sources, qualified nonelective contributions, qualified matching contribution, and earnings on elective deferrals (see [chapter 15](#))
- Final DOL regulations impacting disability based participant claims (see [chapter 16](#))
- Expansion of the Pension Benefit Guaranty Corporation program for terminating plans to cover defined contribution plans and assist in locating missing participants and disposing of their account balances (see [chapter 21](#))
- Detailed information regarding disaster tax relief for Hurricanes Harvey, Irma, and Maria, as well as the 2017 California wildfires (see [chapter 15](#))

- Information regarding cybersecurity issues for retirement plan sponsor (see [chapter 4](#))
- New discussion regarding the narrowing the scope of expenses that qualify for a casualty deduction hardship distribution (see [chapter 15](#))
- Update on the DOL's position regarding economically targeted investments (see [chapter 5](#))
- Description of methods for correcting a missed safe harbor notice (see [chapter 2](#))
- Overview of the changes for pre-approved defined contribution plan documents applicable to the next filing cycle (see [chapter 3](#))
- Update to the discussion of Congressional proposals relating to retirement plans (see [chapter 1](#))
- Update to the phase-out limits under the Saver's Credit (see [chapters 2](#) and [8](#))
- Update to the DOL penalties for failing to provide a participant automatic enrollment notice (see [chapter 2](#))
- New rules allowing re-contribution of federal tax levy distribution that has been refunded to the participant (see [chapter 2](#))
- Information on the Internal Revenue Service (IRS) request for comments to expanding determination letter program scope in 2019 for individually designed plans (see [chapter 3](#))
- New discussion of mutual fund share classes designed to assist plan sponsors with fee leveling (see [chapter 4](#))
- Update to the discussion regarding the DOL's proposal for an index or summary of the 408(b) disclosures (see [chapter 4](#))
- Update regarding DOL proposed regulations that would require some service providers to provide a guide or index with their initial 408(b)(2) disclosure (see [chapter 4](#))
- Update to the penalties for not complying with the employer stock diversification notice rules (see [chapter 6](#))
- Update to the discussion of qualified plan investments in collectibles (see [chapter 6](#))
- Update regarding the rules relating to when a 401(k) plan must report unrelated business taxable income on IRS Form 990-T (see [chapter 6](#))
- Expanded discussion of DOL Interpretive Bulletin 96-1, which became reinstated by the repeal of the DOL's fiduciary rule by the Fifth Circuit's decision in *U.S. Chamber of Commerce v. DOL* (see [chapter 8](#))
- Information on an IRS Chief Counsel Advice Memorandum relating to methods for correcting a missed participant loan payment (see [chapter 15](#))
- Information on the extended time for rolling cash in lieu of a defaulted loan into another qualified plan or an IRA (see [chapter 15](#))
- Updated information on IRS guidance allowing an alternative to source documents for substantiating certain hardship withdrawals (see [chapter 15](#))
- Information on new IRS guidance on finding lost participants for purposes of making required minimum distributions (see [chapter 16](#))
- Discussion regarding new IRS guidance relating to withholding on periodic distributions following the Tax Cuts and Jobs Act of 2017 (TCJA) (see [chapter 16](#))
- Information on changes to the federal estate tax under the TCJA of 2017 (see [chapter 18](#))
- Information on changes to Form 5500 (see [chapter 19](#))
- Update to the penalties for failing to timely file Form 5500 (see [chapter 19](#))
- Update to the penalties for failing to timely respond to DOL requests for information (see [chapter 19](#))
- Update to the penalties for failing to timely provide a participant blackout notice under the Sarbanes-Oxley Act of 2002 (see [chapter 19](#))
- Update to the penalties for failing to timely provide a participant notice regarding diversification rights with regard to employer stock (see [chapter 19](#))
- Discussion of new rules relating to Voluntary Correction Program application fees (see [chapter 20](#))
- Update to limits on deductible contributions to traditional Individual Retirement Arrangements (IRAs) (see [chapter 22](#))
- Updates to limits on contributions to Roth IRAs (see [chapter 22](#))
- Updates to discussion of the IRS' 403(b) pre-approved plan program (see [chapter 22](#))

- Updated discussion of state-based savings programs for non-government employees (see [chapter 22](#))
- Expanded Fiduciary Manual and Fiduciary Checklist (see [appendix C](#))
- Expanded discussion of how to correct a failure to implement an automatic enrollment provision, failure to implement a participant's affirmative deferral election or a failure to notify a participant that they have become eligible to participate (see [appendix M](#))
- Updates (throughout) to reflect 2018 cost-of-living adjustments

The *401(k) Answer Book* also offers practitioners a wealth of materials and guidance, including:

- A 401(k) Compliance Calendar (see [appendix J](#))
- An IRS Rollover Chart (see [appendix I](#))
- A chart of key participant disclosures and notices with cross-references to chapters for detailed information (see [chapter 19](#))
- Up-to-date sample notice templates for safe harbor 401(k) plan notices, automatic enrollment notices, and qualified
- default investment arrangements notices (see [appendices A, B, and C](#))
- Sample [ERISA Section 404\(c\)](#) checklist (see [appendix C](#))
- Model notice for an Eligible Investment Advice Arrangement (see [appendix H](#))
- Practical information on partial plan terminations, plan mergers, and spinoffs (see [chapter 21](#))
- Fiduciary guidelines for selecting an annuity payment option (see [chapter 16](#))
- Qualified optional survivor annuity requirements under [Code Section 417](#) (see [chapter 17](#))
- DOL guidance on participant statement requirements (see [chapter 19](#))
- ERISA Spending Accounts and other ways to manage plan expenses (see [chapter 4](#))
- Current rules on the use of electronic technologies for satisfying notice and consent requirements (see [chapter 19](#))
- Final regulations on the Roth 401(k) feature and information on analyzing the Roth 401(k) option (see [chapter 2](#))
- Information on selecting service providers, including guidance from the SEC and the DOL (see [chapter 4](#))

Additional practice aids include the glossary, the tables of cases, statutes, and authorities, and a comprehensive Index.

**9/18**

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[Back to Top](#)