ACTION CHECKLIST FOR PAYROLL PROVIDERS

To ensure compliance and smooth coordination, please share this checklist with your payroll provider:

Annual FICA Wage Tracking

- ☐ Track Box 3 (FICA) wages for each employee annually.
- ☐ Identify employees age 50+ whose prior-year FICA wages exceed $145,000.
- ☐ Flag these employees as "Roth Catch-Up Required."

Reporting and Communications

- ☐ Generate a Roth Catch-Up Eligibility Report by January 15, 2026.
- ☐ Share the report with:
  - ☐ The Plan Sponsor (Employer)
  - ☐ The TPA (CDS)
  - ☐ The Recordkeeper (Investment company)

Payroll System Updates

- ☐ Ensure payroll systems can designate catch-up contributions as Roth.
- ☐ Prevent pre-tax catch-up contributions for Roth-required employees.
- ☐ Allow employees to opt out of catch-up contributions if desired.

Please reach out directly to your Third Party Administrator if you have any questions at **(320) 214-2909** about Roth Catch-up Contribution Requirements for High Earners starting January 1, 2026.

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CDS
BENEFIT PLAN ADMINISTRATION