Roth Employer Requirements for DCP Incoming Payroll File

There are three system changes needed to support ERA requirements for Roth implementation:

Defined Contribution "C" record layout

Taxed/Non-Taxed indicator – This previously unused field will now be a necessary part of Roth reporting. Employers will need to provide the one-character value ('N' for Non-Taxed or 'T' for Taxed) where Taxed is for Roth contributions. If an employer is reporting both non-taxed and taxed contributions for an individual member in the same report, they will need to use two separate rows to represent the two different contribution amounts.

Field	Format	Field length	Fixed start	Fixed end
Taxed/Non-Taxed Status	Character	1	38	38

Employer Contributions (May be matching or non-matching)

This new field will include employer contributions value separate from the member contribution value.

Field	Format	Field length	Fixed start	Fixed end
DCP Employer Contributions	+- XXXXXXX.XX	11	44	54

Summary "S" record layout for employer contributions

Reporting will need to include total employer contributions on all defined contribution records in their report file. Previously this field has only been populated with employer contributions on defined benefit (non-DCP) record types.

Previously employer contributions were reported as part of total member contributions amount. Effective with Roth implementation, employer contributions must be reported separately from member contributions.

Total Member Contribution Deferrals	+/- #########.##	13	32	44		N	Sum of the member contribution for both the Defined Benefit Record and the Defined Contribution Record.
Total Employer Contributions	+/- #########.##	13	45	57		N	For Retirement, this is the sum of employer contribution for the Defined Benefit Records. For DCP, this is the sum of the employer contribution for the Defined Contribution Records.

Preview of Chapter 8 Summary record layout table.