



EQUITABLE

*Notice to Employers Who Sponsor a SIMPLE IRA Plan*

Our records show that you established a SIMPLE IRA plan using IRS Form 5304-SIMPLE. Many of your employees have chosen an EQUI-VEST® SIMPLE IRA Contract as a funding vehicle. Enclosed with this letter is the information that you need in order to comply with your SIMPLE IRA plan notification responsibilities.

**The IRS rules require you to notify your current plan participants of several items by November 1, 2023. To notify employees who will be eligible to participate in your SIMPLE IRA plan for calendar year 2024, IRS guidelines require that you do the following:**

- Notify employees of the terms of your SIMPLE IRA Plan for calendar year 2024. Tell them whether you will be making matching or non-elective contributions to the SIMPLE IRA plan in 2024.
- Complete and distribute IRS Form 5304-SIMPLE to all employees. Include the section of the form labeled “Model Notification” and include the instructions. Retain Form 5304-SIMPLE for your records. Equitable does not need a copy of the completed IRS Form 5304-SIMPLE. However, we suggest that you send your accountant or payroll administrator a copy.
- Provide employees with the opportunity to make or change any salary deferral contributions for 2024. (This is done by having employees complete the section of IRS Form 5304-SIMPLE labeled “Model Salary Reduction Agreement” on page 3 of the Form and return it to you by December 31, 2023.)
- Provide employees with information regarding Equitable’s name, address and EQUI-VEST’s SIMPLE IRA withdrawal and rollover procedures by giving them a copy of the enclosed “EQUI-VEST Procedures for SIMPLE IRA Plan Withdrawals/Rollovers.”

**Please Note: If your plan provisions (who’s eligible, employer contribution rate, etc.) will remain the same, you may provide your employees with a copy of the same IRS Form 5304-SIMPLE you distributed in the prior year. Simply change the calendar year (under “Model Notification to Eligible Employees,” Page 3). In addition, your employees will still need to complete the blank section under “Model Notification to Eligible Employees.”**

The maximum annual contribution limit for salary deferrals was **\$15,500 for 2023. After 2023, this amount may be increased for cost-of-living adjustments.**

In addition to the maximum annual contribution described above, if a SIMPLE IRA plan participant is at least age 50 or older on or before December 31, 2024, he/she may also be allowed to defer an additional amount as a “catch-up” contribution. The maximum catch-up contribution for SIMPLE IRA plans was **\$3,500 for 2023. After 2023, this amount may be increased for cost-of-living adjustments.**

So, for example (assuming the contribution limits remain the same for 2024), a 45-year old SIMPLE IRA plan participant can elect to defer no more than \$15,500 for 2023, whereas a SIMPLE IRA plan participant who will turn age 50 at any time during calendar year 2024 can elect by December 31, 2023 to defer up to \$19,000 for 2024, even though his/her 50<sup>th</sup> birthday is not until November or December 2024.

A sample cover letter for your employees is enclosed. You may attach the sample letter to the IRS Form 5304-SIMPLE, as well as the procedures for withdrawals. The cover letter instructs employees how to complete the “Model Salary Reduction Agreement” section of the Form.

If you need additional information, feel free to call your Equitable Advisors Financial Professional or our Customer Service Representatives toll free at (800) 628-6673.

Sincerely,  
Equitable



**EQUITABLE**  
ADVISORS