

401(k) Plans | Timeliness of Remittances | Transcript

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Timeliness of remittances is discussed on page seven. Basically what that is, it's the number of days between when payroll occurs and when the withholding are remitted to the investment custodian, and this continues to be an area of focus for the Department of Labor.

The DOL asks that these be remitted as soon as what they say is administratively possible. They don't go into further detail as far as what that means from a number of days perspective, but it was nice to see that most of the participants in this study are remitting rather quickly.

I guess one other thing I do want to mention here is, let's say for example, that you typically remit five days after the payroll date, but there is one payroll during the year where you remitted much quicker, let's say, one day. It could be interpreted that all those other payrolls where you remitted five days could be considered late, considering you were able to remit one of them very quickly within one day, so in addition to emphasizing the importance of remitting contributions timely, consistency should also be considered as well.