

Annual Solo 401k Requirements



mysolo401k.net



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- **When making an investment decision, please consult with your tax attorney and financial professional.**



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Agenda

- **Housekeeping**
- **Solo 401k Basics**
 - **Top Benefits**
 - **Eligibility**
 - **Setup Process**
- **Top Annual Compliance Requirements**
- **Any Questions?**

Solo 401k

Top Benefits



401k Contributions

***Up to \$61k (or \$67.5k for 2022)**

***Roth & Mega Backdoor Roth**



Alternative Investments

***Invest w/ Checkbook Control**

***Real Estate, Notes, Private Placements,
Cryptocurrency, Etc.**



401k Participant Loan

***Up to 50% of the balance up to \$50k for each
participant**

***Use for any purpose**

Solo 401k Eligibility

The background of the slide is a photograph of a storefront. A sign hangs from a string, featuring the word 'OPEN' in large, bold, 3D letters. Below it, the word 'SHOP' is visible in a smaller, sans-serif font. The scene is slightly blurred, suggesting a shallow depth of field. A semi-transparent purple banner is overlaid across the top half of the image, and a solid pink rectangle is in the top right corner.

**Who is eligible to set up a Solo
401k?**

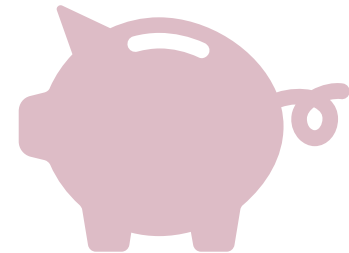
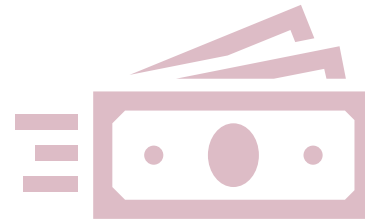
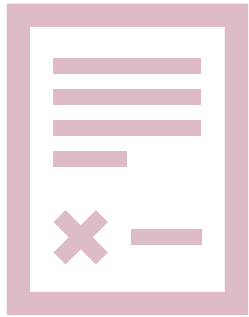
**A Solo 401k is for an owner-only
business with no full-time w-2
employees.**

Solo 401k Eligibility Checklist

Top Solo 401k Eligibility Considerations	
Do I need a separate entity (e.g. LLC, S-corporation)?	No
Do I need to report earned self-employment income on my taxes?	Yes
Is there a minimum amount of earned self-employment income?	No
Can my spouse or business participate as long as they are also reporting earned self-employment income?	Yes
Can I set up a Solo 401k even if I also have a w-2 job (“day job”) as long as I am reporting some earned self-employment income?	Yes
Even if I am participating in my w-2 employer’s 401k plan?	Yes
Do I need an EIN for my self-employed business?	No
Can I set up a Solo 401k if there are non-owner full-time w-2 employees working for another business owned by me or my spouse?	No

Solo 401k Setup Process

Steps to Establish Solo 401k



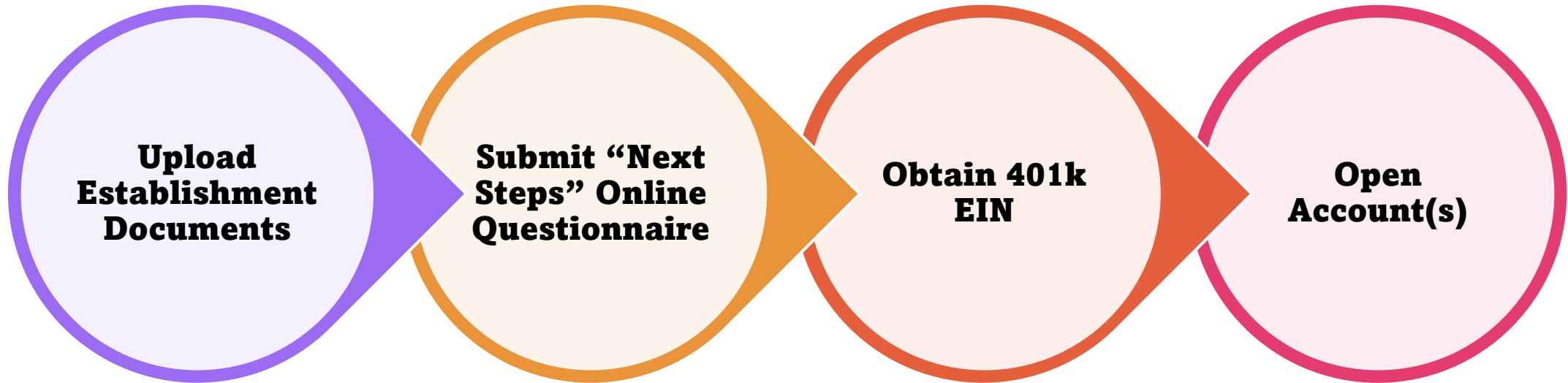
**Sign
Establishment
Documents**

**Open
Account(s)**

**Rollover
and/or
Contribute
Funds**

**Time to
Invest!**

Account Opening



Number of Participants

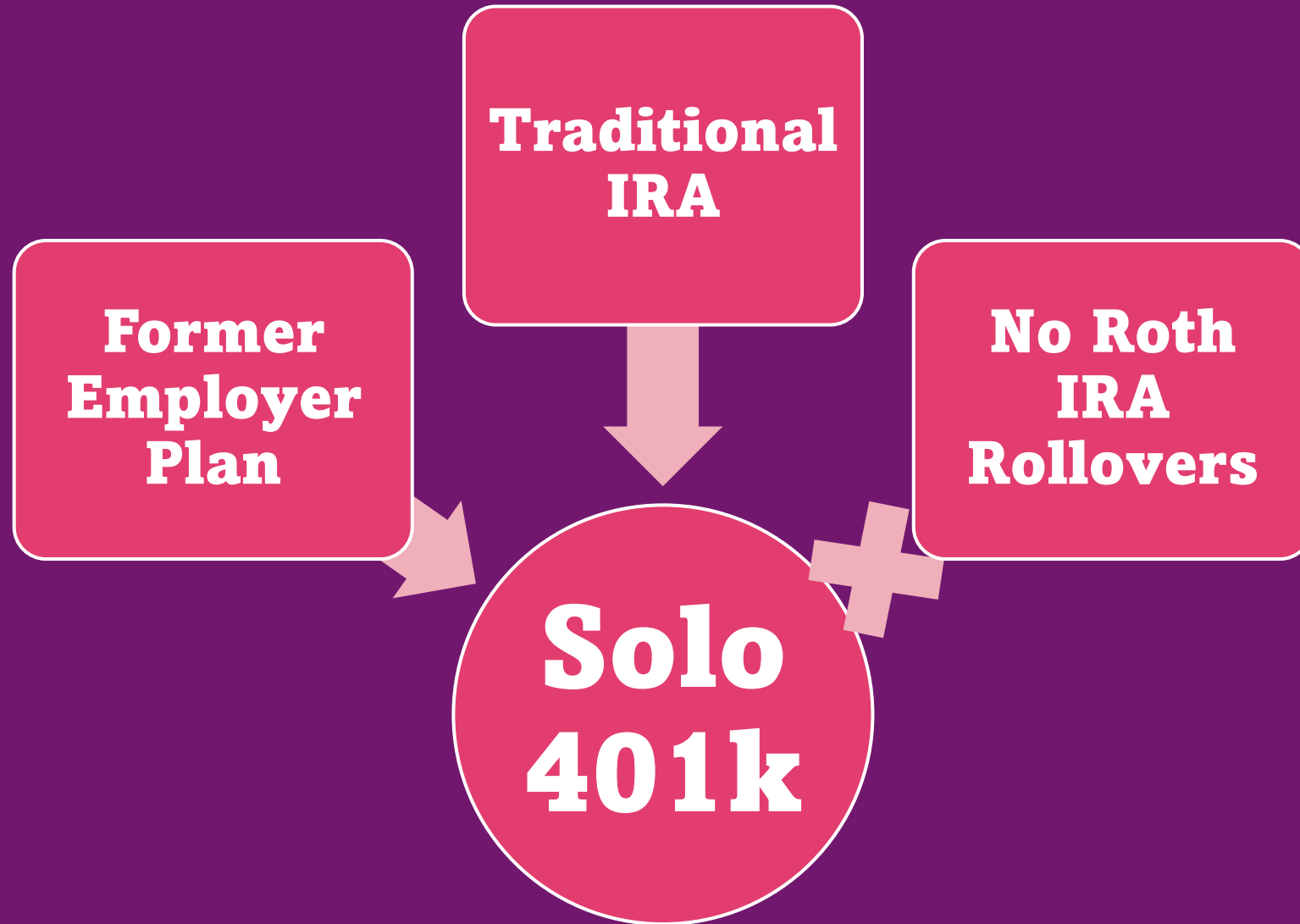
Types of Funds

**Account
Opening
Considerations**

**Bank vs Brokerage (or
Both)**

Investment Types

Transfers/Rollovers



My Solo 401k Financial

Others

VS



Form 1099-R



- For conversions and distributions, will prepare Form 1099-R.



Form 5500-EZ



- Will prepare Form 5500-ez and file it electronically through EFAST System.



Bank Account



- Allows you to choose where to hold the solo 401k funds and will work with your banker.



Brokerage Account




- Will prepare brokerage forms.



Transfer/Rollover



- Will prepare IRA and former employer transfer forms.



Your Questions
Answered

—
Follow the conversation at:

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