

Human Interest 401(k) vs. MyCTSavings: how do they compare?

MyCTSavings is a state-sponsored retirement savings program for Connecticut citizens that increases access to affordable retirement savings for private-sector workers.¹

Breaking Down MyCTSavings

The MyCTSavings program mandates that businesses with more than five employees, where each employee earning over \$5,000 in the calendar year, must receive access to a qualified retirement savings plan. Enrolling in the MyCTSavings program is not mandatory, unless the employer doesn't currently offer a workplace retirement savings plan.

The deadline for businesses with 5-25 employees to comply is **August 31, 2023**.¹ Deadlines for businesses with four or less employees have not yet been released.

	MyCTSavings (Roth IRA)	Human Interest 401(k) + PayPros, Inc.
Pre-tax / post-tax	Post-Tax (i.e., you pay taxes today)	You choose! We offer traditional 401(k)s and Roth options so you can choose pre- or post-tax contributions
Max. contribution for 2023	\$6,500 < 50 \$7,500 > 50	\$22,500 < 50 \$30,000 > 50
Income limits	To make the max contribution, employees must have a Modified Adjusted Gross Income no higher than... ² <ul style="list-style-type: none"> • \$153,000 for single filers • \$228,000 for married / joint filers 	None
Employer fees	TBD	Plans start at \$120/month + \$4/eligible employee. Find our transparent pricing on our website . All prices are exclusive of applicable taxes. A one-time setup fee of \$499 may apply. See our Terms of Service for additional details.
Employee fees	TBD	0.50%* + .07% average fund fee ³ * Typically 0.5%, billed according the Terms of Service
Investment funds	TBD	Access to almost any mutual fund on the open market
Tax credits	None	Employers can take advantage of: <ul style="list-style-type: none"> • A credit for Small Employer Pension Startup Costs (up to \$5,000 per year for three years⁵) • A deduction of employer contributions to employee accounts. Learn more
Allow loans	No	Yes
Payroll integration	None	PayPros, Inc.
Ongoing employer responsibilities	<ul style="list-style-type: none"> • Changes to contribution amounts: Every time an employee changes their contribution amount, like changing their savings rate or opting out, the employer will be sent an email and have to adjust the payroll deduction in their own system (or notify the payroll provider) • File contributions every pay period: Every pay period, send a file listing contributions to New York Secure Choice (must be sent within seven days of taking money out of employees' paychecks) • Process payroll contributions (or work with payroll provider to do so) • Debit your company's bank account for the transactions • Employee census: Add new employees as they become eligible and indicate which ones leave / are terminated⁴ 	<p>"No-Touch" payroll integration with PayPros, Inc. reduces the administrative burden by handling:</p> <ul style="list-style-type: none"> • Submitting a payroll journal in an appropriate format • Keeping your employees' data up-to-date • Maintaining employee deductions in payroll • Required legal documents: Plan Document, Adoption Agreement, and Summary Plan Description • Quarterly nondiscrimination testing • Quarterly employer management statements • Quarterly participant statements • Form 5500 signing and filing to the DOL • Loan, distribution, QDRO, and hardship administration

Now is the time to start a 401(k)

With legislation passed in Connecticut, now is a great time to start a 401(k) plan. Currently, the small employer plan startup credit is up to \$5,000 for the first three years, making it more affordable than ever to launch a plan when you take advantage of tax incentives.⁵ Set up your business – and your employees – for success: ensure your retirement plan provider integrates with your payroll and seamlessly handles other tedious tasks.

Why launch a Human Interest 401(k)?

With Human Interest rebates and IRS tax incentives, you can launch a 401(k) today at little to no cost. Our automated plans make the ongoing administration of your 401(k) easy and affordable. Human Interest's plans also offer:

- ✓ Transparent pricing and zero transaction fees
- ✓ "No-Touch" integration with PayPros, Inc.
- ✓ Affordable, low-cost investment options
- ✓ Easy to set up and administer
- ✓ Ongoing support and plan management
- ✓ High employee participation rates – twice the industry average when auto-enroll is enabled⁶

Get started today.

Take the first step to offering a modern retirement plan today.

Email us at PartnerSales@humaninterest.com or call 877 475 0179.

¹ Office of the State Comptroller, 2023.

² Employees may be eligible to make a partial contribution if their MAGI is, for example, between \$129,000 – \$144,000 for single filers. See more [here](#).

³ For information about Human Interest's pricing, please refer to our [Pricing Page](#), which describes the fees charged for administrative and advisory services. Fees for investment advisory services are billed according to the [Terms of Service](#). Fees are typically up to 0.50% annually, and include custody fees. Mutual fund annual operating expenses are established by each individual mutual fund and disclosed in the relevant prospectus, as well as through fee disclosures provided to Participants. Mutual fund fees are embedded in each mutual fund's net asset value and are borne equally by each fund shareholder, including those plan participants who elect to purchase shares. The average fee for the mutual funds available through the Human Interest model is .07% per year, but is subject to change based upon the expenses set by each particular mutual fund.

⁴ [Program details](#). MyCTSavings, 2023.

⁵ [Retirement Plans Startup Costs Tax Credit](#). IRS.gov. June 16, 2023.

⁶ Source: Human Interest customer data, 2022. [United States Census Bureau](#), 2021.

Human Interest Inc. is an affordable, full-service 401(k) and 403(b) provider that seeks to make it easy for small and medium-sized businesses to assist their employees with investing for retirement. For more information, please visit humaninterest.com. Investment Advisory services are provided through Human Interest Advisors LLC, a Registered Investment Adviser and subsidiary of Human Interest Inc. For more information on our investment advisory services, please visit humaninterest.com/hia.

This content has been prepared for informational purposes only, and should not be construed as tax, legal, or individualized investment advice. Human Interest Advisors LLC does not provide tax or legal advice. Consult an appropriate professional regarding your situation. The views expressed are subject to change. In the event third-party data and/or statistics are used, they have been obtained from sources believed to be reliable; however, we cannot guarantee their accuracy or completeness. Investing involves risk, including risk of loss. Past performance does not guarantee future results.

PayPros, Inc. has a partnership with Human Interest and may be compensated if you hire Human Interest. PayPros, Inc. and its representatives are not affiliated with or employed by Human Interest. For the full disclosures, refer to humaninterest.com/disclosures.

For more information, contact PayPros, Inc. or PartnerSales@humaninterest.com.

Copyright ©2023 Human Interest, Inc. Revised 05/01/23

