

Bottom Line

PERSONAL

April 1, 2009

Nonprofit Workers' Retirement Accounts lose some appeal now that a new IRS regulation has gone into effect. The rule – designed to ake 403(b) retirement savings plans (commonly used by educational and other nonprofit employers) more like 401(k) plans – requires employers to have considerably more paperwork backing up their 403(b) plans. This will lead to more restrictions on loans and hardship withdrawals. The plans also may reduce the number of low-cost investment options. Ask your employer how the new rule affects you.

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