

Matrix Trust Year-End FAQ (for Denver Platform Only)

This information is being provided to answer frequently asked questions regarding the tax remittance process of Matrix Trust Company.

Matrix Trust processes distribution checks for employer sponsored retirement plans at the request of the Designated Representative, either a Third Party Administrator or Record-Keeper, who services each plan.

Matrix Trust will withhold the specified amounts of Federal or State taxes from the distributions as instructed by the Designated Representative. Federal tax is remitted daily. State tax is remitted according to individual state schedules.

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Matrix Trust Year End Timeline for 2020/2021

- 12/25/2020 Matrix Trust will be **CLOSED** for the holiday.
- 12/31/2020 **DEADLINE** – Disbursement files received by 12:30pm MST will be processed and will trigger the generation of a 1099 if applicable. There is a 2:00pm MST deadline for disbursement requests submitted on the TOS System. (These are normal deadlines for distributions.)
- **No federal or state taxes can be remitted for the 2020 tax year after 12/31/20**
 - **No Federal or State refunds can be processed after 12/31/2020**
- 01/01/2021 Matrix Trust will be **CLOSED** for the holiday.
- 01/04/2021 Preliminary scrub files will be sent to TPAs.
- 01/08/2021 **DEADLINE – Changes/Corrections** need to be received to be included in the 1099 PRINT file (2:00pm MST).
- All corrections from this point forward are billable to the TPA
 - *See “Change/Correction Timeline” below.
- 01/15/2021 1099 print file released to print vendor.
- 01/22/2021 **Approximate dates** for year-end Certified Trust Reports to be mailed to Plans and available to TPAs on <https://tos.broadridge.com/>.
- 01/22/2021 TPA and 3rd party statements will be completed and mailed on or around 1/22/2021
- 01/18/2021 Matrix Trust will be **CLOSED** for the holiday.
- 02/01/2021 All 1099R forms will be available on the web site below <https://benefitpayments.innovestsystems.com/mgtrust/login.html>
- 02/01/2021 **DEADLINE** All 1099R forms will be mailed by this date.
- 02/01/2021 **Print Correction*** process begins.
- *See “Change/Correction Timeline” below.
- 02/15/2021 Matrix Trust will be **CLOSED** for the holiday.
- 03/12/2021 Last **Print Correction*** file run. After this all corrections processed will be sent to the IRS marked as CORRECTED.
- 03/12/2021 **DEADLINE** for corrections/changes to be part of the original IRS 1099R file.
- 03/31/2021 1099R file released to IRS. Deadline for receipt is 03/31/2021.
- 04/01/2021 First **True Correction**** file generated to the IRS.
- *See “Change/Correction Timeline” below.
- 04/02/2021 Matrix Trust will be **CLOSED** for the holiday.

06/01/2021 5498 forms will be mailed by this date.

Change/Correction Timeline:

Changes	Thru 01/08/2021	Corrections made will not cause the Correction box to be checked
Print Correction	2/1/2021 - 3/31/2021	Correction box checked Not reported as Correction to IRS
True Correction	4/1/2021 and later	Correction box checked Reported as Correction to IRS

Who is Matrix Trust Company, and why did you send me a 1099R?

Matrix Trust Company provides Trustee and Custodial services for many qualified retirement plans and other defined contribution plans. We process distributions and create the appropriate tax form in accordance with instructions originated by your Plan Administrator or Record-Keeper. The plan name from which your distribution occurred is printed below our name and address on the 1099R form. For specific questions regarding your distribution, please contact your Human Resources department or Plan Administrator.

Why did I receive a 1099R for my account?

Federal regulations require that you report proceeds from redemptions (including removals of excess deferrals and/or contributions) on your retirement accounts. You are required to send in this form with your federal income tax return.

Why was money withheld from my retirement account redemption?

Federal law requires 10% withholding on distributions from retirement accounts, unless instructed otherwise by the participant. This serves as a prepayment of your income tax and is not to be confused with any IRS penalties for premature withdrawals. Additionally, if this was a distribution from a qualified plan, federal law requires 20% withholding on most distributions that are not direct rollovers to another custodian. This 20% withholding should not be confused with any IRS penalties.

Where do I report this information on my individual tax return?

Instructions are included with your tax form(s) or you can go to <http://www.irs.gov>.

You may need to obtain IRS Form 5239 if this was a premature distribution. Consult your tax advisor if you need assistance deciding if this applies to your situation.

What is a Form 1099R?

Generally, all distributions from pensions, annuities, profit-sharing and retirement plans (including section 457 state and local government plans), IRAs, insurance contracts, etc., are reported to recipients on Form 1099-R. The plan custodian sends the form to the owner of a plan if he or she has made distributions of \$10 or more from the plan in a given year. The form

is mailed to recipients by February 1st of the year after the distribution was made. In some cases, the individual may need to attach a copy of [Form 1099R](#) to his or her tax return. The plan owner, the IRS and the municipal or state tax department (if applicable) all receive a copy of the form. Please consult a tax advisor regarding how to report the information received on a 1099R.

Copies of all 1099's are filed with the IRS by April 1st for the 2020 tax year. All 1099 forms are uploaded electronically to the IRS. A 1096 form is not prepared as this form is only required for manual form submission.

All tax reported on the 1099R forms is reconciled to the Form 945 information return and to the tax remittances submitted to the IRS.

What do I need to know about Form 945?

All tax payments for taxes withheld by Matrix Trust Company are submitted under Matrix Trust Company's tax ID number to the IRS and or state tax agencies. Information Returns are also filed with each tax agency under Matrix Trust Company's tax ID number, including the Federal Form 945. All tax forms are filed showing Matrix Trust Company as the payer. **Annually, a single Form 945 is filed with the IRS for all tax remitted by Matrix Trust Company. Separate 945 forms per plan are not prepared.** A plan can notify the IRS in writing stating our capacity (ex: agent, custodian, directed trustee); further explaining our use of an omnibus account (Matrix Trust Company TIN) resulting in a combined Form 945 instead of an individual form for their plan.

What is the Tax ID Number for Matrix Trust Company?

The Tax ID Number for Matrix Trust Company is 75-3182674.

Why did I receive a 1099R for stock dividends in my account?

Dividends or distributions under section 404(k) on stock held by an Employee Stock Ownership Plan (ESOP) or a tax credit ESOP are now reported on Form 1099R (as of 2009). If a section 404(k) distribution is made in the same year as a total distribution from the ESOP, you will receive two separate Form 1099R forms, one for the dividends and one for the distribution.

Why did I receive two copies of my 1099R?

You receive two copies of your 1099R so that you may provide those copies to different agencies. The first copy is filed with your federal taxes. The second copy is for your own records, or should be used if you are required to file taxes with your particular state.

How do I reclaim federal or state taxes withheld from my distribution?

Please consult your tax advisor. Taxes withheld on your behalf can only be refunded to you by the IRS, or appropriate state, as part of your annual return. Matrix Trust Company is unable to recover or refund taxes withheld for previous tax years.

When will year end Certified Trust Reports be available on the website?

Approximate date for year-end Certified Trust Reports to be available to TPAs on <https://tos.broadridge.com/> is scheduled for 1/22/2021.

When will year end Certified Trust Reports be mailed?

Year-end Certified Trust Reports are scheduled to be mailed on or around 1/22/2021.

Why haven't I (or my client) received a 1099R for the distribution I made this year?

Effective April 22, 2013, Matrix Trust Company implemented a new process where 1099R forms were sent along with distribution checks to participants or for those checks that were sent to another firm as a rollover, a Deposit Confirmation was sent to the participant with their 1099R.

I cannot find the 1099R that was sent to me earlier this year. How do I get a new one?

Copies of 1099R forms can be obtained through your TPA/Record-Keeper. The TPA/Record-Keeper can find them on the website

<https://benefitpayments.innovestsystems.com/mgtrust/login.html>

I had monthly distributions this year, but never received any 1099R forms?

For recurring distributions, all distribution information will be included in one 1099R form which will be mailed by 02/01/2021.

Why did I receive a 1099R populated with zero dollar amounts?

If you received a 1099R populated with zero dollar amounts, this means you had previously received a 1099R and this "zero" form is cancelling the previous form. A replacement 1099R will be mailed at the same time, but may be received before or after that form depending on mail delivery.

If additional information is needed, questions may be addressed to Matrix Trust at:

mgtrusttpaservices@broadridge.com, or call our service line at 1-888-947-3472.