



ADMINISTRATIVE RULES OF MONTANA



2.43.2214 IMPLEMENTATION AND COMPLIANCE

- (1) A participating employer must demonstrate compliance with this subchapter as follows:
 - (a) The employer must submit to the board a copy of the employer's IRC section 125 plan document and the salary reduction or election form that must be completed by the employees wishing to participate.
 - (b) The salary reduction or election form must be the document that will be used for the enrollment period that precedes the next IRC section 125 plan year.
 - (c) The open enrollment period must be specifically identified in the material provided to the participating employer's employees and in the material provided to the board.
 - (d) Once compliance has been demonstrated, the employer must verify on an annual basis that its IRC section 125 plan document and election form have not changed. If either document does change, the new document or election form must be submitted to the board.
- (2) If an employer fails to provide the IRC section 125 plan document, the salary reduction or election form in a format that complies with this subchapter, or fails to use the salary reduction or election form during the enrollment period, then compensation for that employer shall not include the IRC section 125 plan's salary reduction amount.
- (3) Board policy number BOARD Admin 05 titled "Treating Salary Deferrals Under a Cafeteria Plan as Compensation" contains several examples of both valid and invalid cafeteria plans, elections, and waivers and should be referenced for further guidance.

Authorizing statute(s): 19-2-403, MCA

Implementing statute(s): 19-2-1001, 19-2-1005, 19-2-1010, 19-3-108, 19-5-101, 19-6-101, 19-7-101, 19-8-101, 19-9-104, 19-13-104, MCA

History: NEW, 2005 MAR p. 2241, Eff. 11/11/05; AMD & TRANS, from ARM 2.43.914, 2008 MAR p. 2467, Eff. 12/1/08; AMD, 2013 MAR p. 2240, Eff. 11/28/13.