

The Maine Retirement Mandate

Maine state law requires employers in Maine to register and facilitate the Maine Retirement Investment Trust (MERIT) Program if they have five or more Maine workers, have been in business for at least two years and do not sponsor a retirement plan or face stiff penalties.

Compliance Deadlines

- 5+ Employees – Deadline passed

Penalties For Non-Compliance

- July 1, 2025-June30, 2026: \$20 fine per covered employee
- July 1, 2026-June 30, 2027: \$50 fine per covered employee
- On or after July 1, 2027: \$100 fine per covered employee

As shown below, the Sallus Retirement Pooled Employer 401 (k) Plan is superior when compared to the state-run MERIT program.

	Sallus	MERIT
Plan Type	Pooled 401 (k) 	 Roth Individual Retirement Plan
Income Limits	\$350,000 	 \$165,000
Annual Contribution Limit	\$70,000 	 \$7,000
Maximum Employee Contribution	\$23,500 	 \$7,000
Additional Employee “Catch Up” Contribution (If >Age 50)	\$7,500 	 \$1,000
Additional Employee “Catch Up” Contribution (Age 60-63)	\$11,250 	 Not Allowed
Employer Contributions	Optional 	 Not Allowed
Access to Savings	Yes 	 No
Plan Cost	Low, Employer/Employee Shared 	 Low, All Employee Paid
Employer Tax Credits	Yes 	 No
Investments	Fiduciary Managed, Held in Trust 	 Non-Fiduciary Managed
Employer Setup & Support	Custom Plan Design, Full Plan Administration, Fiduciary Oversight, Professional Support 	 Basic IRA, Self-Administration, General Support
Ongoing Employee Education & Support	Expert Support 	 General Support

A fiduciary is a person or organization that acts on behalf of another person or persons, putting their clients' interests ahead of their own, with a duty to preserve good faith and trust. Being a fiduciary thus requires being bound both legally and ethically to act in the other's best interests.

Material has been prepared for informational purposes only, and is not intended to provide, and should not be relied on for, tax, legal or accounting advice.