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401(k) Rollover Checklist

What to do with your 401(k) after leaving a US job — in the right order, without triggering taxes.

Before you move anything

- Get your latest 401(k) statement: balance, investment list, and vested percentage.
- Ask HR/the plan administrator for the distribution paperwork and any exit deadlines.
- Check for employer stock in the plan — NUA tax treatment must be decided BEFORE rolling over.
- Compare your options: keep in old plan, roll to new employer's 401(k), or roll to an IRA.

Decide where it goes

- Compare fees: old plan's expense ratios vs new plan vs an IRA at a major brokerage.
- If you may need a backdoor Roth later, know that pre-tax IRA balances complicate it (pro-rata rule).
- Considering Roth conversion? Estimate the tax bill first — conversions are taxable income.

Execute the rollover

- Always request a DIRECT rollover (trustee-to-trustee). Never take a check made out to you personally.
- If a check is unavoidable, it must be payable to the new custodian and deposited within 60 days.
- Open the receiving account BEFORE starting the transfer so funds have somewhere to land.
- Confirm the money arrived AND is invested — rollovers often sit in cash until you place trades.

After the move

- Keep the final statement and Form 1099-R for your tax records.
- Update beneficiaries on the new account — they do not carry over automatically.
- Set a calendar reminder to verify the old account shows $0 and is closed.