

Consolidated Appropriations Act, 2023
([P.L. 117-328](#), 12/29/22)

Table of Contents for Division T – SECURE 2.0 Act of 2022

For full text of any provision below, see [pages 817 to 946](#) of the public law. This table of contents should help you search using the title of the SEC. or the Section number itself. For details on California conformity, see the [FTB’s 2022 conformity report](#) that is briefly summarized in the last column in the table below.

Also see [IRS Publication 560, Retirement Plans for Small Business](#). The 2024 edition was updated 3/17/25. The “what’s new” section of the 2024 version includes info on several SECURE 2.0 Act changes which are also in the body of the publication.

[SB 711](#) (Chapter 231, 10/1/25) which generally conforms to IRC at 1/1/25 with numerous exceptions made modifications to a few of the provisions below (see last column). Also see FTB Summary Table at <https://www.ftb.ca.gov/tax-pros/law/legislation/2025-2026/SB711-FINAL.pdf>

SEC. # & name	SFC Summary [be sure to see P.L. 117-328 for exact statutory changes]	Guidance	Effective Date	Does CA conform?
TITLE I—EXPANDING COVERAGE AND INCREASING RETIREMENT SAVINGS				
SEC. 101. EXPANDING AUTOMATIC ENROLLMENT IN RETIREMENT PLANS	One of the main reasons many Americans reach retirement age with little or no savings is that too few workers are offered an opportunity to save for retirement through their employers. However, even for those employees who are offered a retirement plan at work, many do not participate. But automatic enrollment in 401(k) plans – providing for people to participate in the plan unless they take the initiative to opt out – significantly increases participation. Since first defined and approved by the Treasury Department in 1998, automatic enrollment has boosted participation by eligible employees generally, and particularly for Black, Latinx, and lower-wage employees. An early study found that adoption of automatic enrollment increased participation in a 401(k) plan by short-tenure Latinx employees from 19 percent to 75 percent. An Ariel/Aon-Hewitt study found that, in plans using automatic enrollment, “[t]he most dramatic increases in enrollment rates	IR-2025-09 (1/10/25) and REG-100669-24 (1/14/25) Q&As in Notice 2024-2 (12/20/24)	Plan years beg after 12/31/24	Yes

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	<p>are among younger, lower-paid employees, and the racial gap in participation rates is nearly eliminated among employees subject to auto-enrollment.”</p> <p>Section 101 requires 401(k) and 403(b) plans to automatically enroll participants in the respective plans upon becoming eligible (and the employees may opt out of coverage). The initial automatic enrollment amount is at least 3 percent but not more than 10 percent. Each year thereafter that amount is increased by 1 percent until it reaches at least 10 percent, but not more than 15 percent. All current 401(k) and 403(b) plans are grandfathered. There is an exception for small businesses with 10 or fewer employees, new businesses (i.e., those that have been in business for less than 3 years), church plans, and governmental plans.</p>			
SEC. 102. MODIFICATION OF CREDIT FOR SMALL EMPLOYER PENSION PLAN STARTUP COSTS	<p>The 3-year small business startup credit is currently 50 percent of administrative costs, up to an annual cap of \$5,000. Section 102 makes changes to the credit by increasing the startup credit from 50 percent to 100 percent for employers with up to 50 employees. Except in the case of defined benefit plans, an additional credit is provided. The amount of the additional credit generally will be a percentage of the amount contributed by the employer on behalf of employees, up to a per-employee cap of \$1,000. This full additional credit is limited to employers with 50 or fewer employees and phased out for employers with between 51 and 100 employees. The applicable percentage is 100 percent in the first and second years, 75 percent in the third year, 50 percent in the fourth year, 25 percent in the fifth year – and no credit for tax years thereafter.</p>	<p>See 9/12/23 letter from AICPA to HWM and SFC seeking technical correction.</p> <p>Q&As in Notice 2024-2 (12/20/12)</p>	tyba 2022	No
SEC. 103. SAVER'S MATCH	<p>Current law provides for a nonrefundable credit for certain individuals who make contributions to individual retirement accounts (“IRAs”), employer retirement plans (such as 401(k) plans), and ABLE accounts. Section 103 repeals and replaces the credit with respect to IRA and retirement plan contributions,</p>	<p>Notice 2024-65 (9/5/24) – 19 pages of background and rules; comments due by</p>	<p>tyba 2026</p> <p>SEC. 70116(a)(2)* of P.L. 119-21 (7/4/25) (OBBBA)</p>	No

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	<p>changing it from a credit paid in cash as part of a tax refund into a federal matching contribution that must be deposited into a taxpayer’s IRA or retirement plan. The match is 50 percent of IRA or retirement plan contributions up to \$2,000 per individual. The match phases out between \$41,000 and \$71,000 in the case of taxpayers filing a joint return (\$20,500 to \$35,500 for single taxpayers and married filing separate; \$30,750 to \$53,250 for head of household filers).</p> <p>IRC §6433.</p>	<p>11/4/24. Also see IR-2024-232.</p> <p>Savers Credit info:</p> <ul style="list-style-type: none"> • IRS website on Retirement Savings Contributions Credit (Saver’s Credit) • IR-2024-298 (11/25/24) • IRS Interactive Tax Assistant tool to determine eligibility. 	<p>repeals SEC. 103(e)(1) of SECURE 2.0 Act with IRC applied and administered as though never enacted. Effective for TY ending after 12/31/25. *SEC. 70116 involves extension and enhancement of Savers Credit for ABLE contributions.</p>	
SEC. 104. PROMOTION OF SAVER’S MATCH	<p>Section 104 directs the Treasury Department to increase public awareness of the Saver’s Match to increase use of the match by low and moderate income taxpayers. The promotion will make clear that the Saver’s Match cannot be withdrawn without incurring penalties, including repayment to the Treasury Department in some cases where the Saver’s Match is withdrawn from an individual retirement account before retirement. Taxpayers will have an election to designate a retirement account to receive the repaid Saver’s Match. The Treasury Secretary must report to Congress on the Treasury Department’s anticipated promotion efforts no later than July 1, 2026.</p>	<p>Notice 2024-65 (9/5/24) – 19 pages of background and rules; comments due by 11/4/24. Also see IR-2024-232.</p>	By 7/1/26	Not addressed
SEC. 105. POOLED EMPLOYER PLANS MODIFICATION	<p>Section 105 clarifies that a pooled employer plan (“PEP”) may designate a named fiduciary (other than an employer in the plan) to collect contributions to the plan. Such fiduciary would</p>		Plan years beg after 2022	Not addressed

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	be required to implement written contribution collection procedures that are reasonable, diligent, and systematic.			
SEC. 106. MULTIPLE EMPLOYER 403(b) PLANS	Multiple employer plans (“MEPs”) provide an opportunity for small employers to band together to obtain more favorable retirement plan investment results and more efficient and less expensive management services. The Setting Every Community Up for Retirement Enhancement Act of 2019 (“SECURE Act”) made MEPs more attractive by eliminating outdated barriers to the use of MEPs and improving the quality of MEP service providers. Section 106 allows 403(b) plans, which are generally sponsored by charities, educational institutions, and non-profits, to participate in MEPs and PEPs, including relief from the one bad apple rule so that the violations of one employer do not affect the tax treatment of employees of compliant employers.		Plan years beg after 2022	Yes
SEC. 107. INCREASE IN AGE FOR REQUIRED BEGINNING DATE FOR MANDATORY DISTRIBUTIONS	Under current law, participants are generally required to begin taking distributions from their retirement plans at age 72. The policy behind this rule is to ensure that individuals spend their retirement savings during their lifetime and not use their retirement plans for estate planning purposes to transfer wealth to beneficiaries. The SECURE Act of 2019 increased the required minimum distribution age to 72. Section 107 further increases the required minimum distribution age further to 73 starting on January 1, 2023 – and increases the age further to 75 starting on January 1, 2033.	Ann. 2025-02 (12/18/24) - Treasury and IRS anticipate that certain portions of future regs finalizing the proposed regs will apply beginning in the 2026 distribution calendar year. Final regs (TD 10001 ; 7/19/24) REG-103529-23 (7/19/24) Notice 2023-23 (3/7/23) – financial institutions can start	See SFC description.	Yes

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		<p>notifying IRA owners no later than 4/28/23 that if no RMD required for 2023.</p> <p>Notice 2023-54 (7/14/23)</p> <p>IRS website: “Beginning in 2023, SECURE 2.0 Act raised age that you must begin taking RMDs to age 73. If you reach age 72 in 2023, required beginning date for your first RMD is April 1, 2025, for 2024.</p> <p>If you reach age 73 in 2023, you were 72 in 2022 and subject to age 72 RMD rule in effect for 2022. If you reach age 72 in 2022,</p> <ul style="list-style-type: none"> Your first RMD is due by April 1, 2023, based on your account balance on December 31, 2021, and 		

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		<ul style="list-style-type: none"> Your second RMD is due by December 31, 2023, based on your account balance on December 31, 2022.” <p>See 9/12/23 letter from AICPA to HWM and SFC seeking technical correction.</p> <p>See 4/7/23 letter from US Chamber of Commerce to Treasury and IRS noting some needed guidance.</p>		
SEC. 108. INDEXING IRA CATCH-UP LIMIT	Under current law, the limit on IRA contributions is increased by \$1,000 (not indexed) for individuals who have attained age 50.	Notice 2023-75 (11/1/23); remains \$1,000 for 2024.	tyba 2023	Yes
SEC. 109. HIGHER CATCH-UP LIMIT TO APPLY AT AGE 60, 61, 62, AND 63	Under current law, employees who have attained age 50 are permitted to make catch-up contributions under a retirement plan in excess of the otherwise applicable limits. The limit on catch-up contributions for 2021 is \$6,500, except in the case of SIMPLE plans for which the limit is \$3,000. Section 109 increases these limits to the greater of \$10,000 or 50 percent more than the regular catch-up amount in 2025 for individuals who have attained ages 60, 61, 62 and 63. The increased amounts are indexed for inflation after 2025.	IR-2025-07 (1/10/25) and Prop. Regs. (REG-101268-24 (1/13/25)) Notice 2024-03 (12/20/23) WSJ, Older Workers Can Now Supersize Their 401(k) Savings , 11/1/24	tyba 2024	Yes

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SEC. 110. TREATMENT OF STUDENT LOAN PAYMENTS AS ELECTIVE DEFERRALS FOR PURPOSES OF MATCHING CONTRIBUTIONS	<p>Section 110 is intended to assist employees who may not be able to save for retirement because they are overwhelmed with student debt, and thus are missing out on available matching contributions for retirement plans. Section 110 allows such employees to receive those matching contributions by reason of repaying their student loans. Section 110 permits an employer to make matching contributions under a 401(k) plan, 403(b) plan, or SIMPLE IRA with respect to “qualified student loan payments.” A qualified student loan payment is broadly defined as any indebtedness incurred by the employee solely to pay qualified higher education expenses of the employee. Governmental employers are also permitted to make matching contributions in a section 457(b) plan or another plan with respect to such repayments. For purposes of the nondiscrimination test applicable to elective contributions, Section 110 permits a plan to test separately the employees who receive matching contributions on student loan repayments.</p>	<p>Notice 2024-63 & IR-2024-217 (8/19/24) [28 pages]</p> <p>See 9/12/23 letter from AICPA to HWM and SFC seeking technical correction.</p> <p>See 4/7/23 letter from US Chamber of Commerce to Treasury and IRS noting some needed guidance.</p>	Contributions made for plan years beginning after 2023, if employer allows it.	Yes
SEC. 111. APPLICATION OF CREDIT FOR SMALL EMPLOYER PENSION PLAN STARTUP COSTS TO EMPLOYERS WHICH JOIN AN EXISTING PLAN	<p>Section 111 ensures the startup tax credit is available for 3 years for employers joining a MEP, regardless of how long the MEP has been in existence. Under both pre- and post-SECURE Act law, the startup tax credit only applies for the first 3 years that a plan is in existence. For example, if a small business joins a MEP that has already been in existence for 3 years, the startup credit is not available. If, for example, the MEP has been in existence for 1 or 2 years when a small business joins, the small business may be able to claim the credit for 1 or 2 years, respectively. Section 111 fixes this issue so that employers joining a MEP (which includes PEPs) are eligible for the credit for all 3 years.</p>		Retroactively effective for tyba 12/31/19	No
SEC. 112. MILITARY SPOUSE RETIREMENT PLAN	Military spouses often do not remain employed long enough to become eligible for their employer’s retirement plan or to vest in employer contributions. Section 112 provides small	Q&As in Notice 2024-2 (12/20/12)	tyba 12/29/22	No

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ELIGIBILITY CREDIT FOR SMALL EMPLOYERS [new IRC §45AA]	employers a tax credit with respect to their defined contribution plans if they (1) make military spouses immediately eligible for plan participation within two months of hire, (2) upon plan eligibility, make the military spouse eligible for any matching or nonelective contribution that they would have been eligible for otherwise at 2 years of service, and (3) make the military spouse 100 percent immediately vested in all employer contributions. The tax credit equals the sum of (1) \$200 per military spouse, and (2) 100 percent of all employer contributions (up to \$300) made on behalf of the military spouse, for a maximum tax credit of \$500. This credit applies for 3 years with respect to each military spouse – and does not apply to highly compensated employees. An employer may rely on an employee’s certification that such employee’s spouse is a member of the uniformed services.			
SEC. 113. SMALL IMMEDIATE FINANCIAL INCENTIVES FOR CONTRIBUTING TO A PLAN	Under current law, employers may provide matching contributions as a long-term incentive for employees to contribute to a 401(k) plan. However, immediate financial incentives (like gift cards in small amounts) are prohibited even though individuals may be especially motivated by them to join their employers’ retirement plans. Section 113 enables employers to offer de minimis financial incentives, not paid for with plan assets, such as low-dollar gift cards, to boost employee participation in workplace retirement plans by exempting de minimis financial incentives from section 401(k)(4)(A) and from the corresponding rule under section 403(b).	FS-2024-29 (8/29/24) – affect of Sec. 113 on completion of 2023 W-2 See 4/7/23 letter from US Chamber of Commerce to Treasury and IRS noting some needed guidance. Q&As in Notice 2024-2 (12/20/12) Changes to 2024 Form W-4 – see “What’s New” in instructions.	Plan years beg after 12/20/22	Yes

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		FS-2024-18 (May 2024) How changes affect Form W-2		
SEC. 114. DEFERRAL OF TAX FOR CERTAIN SALES OF EMPLOYER STOCK TO EMPLOYEE STOCK OWNERSHIP PLAN SPONSORED BY S CORPORATION	Under section 1042 of the Internal Revenue Code (“Code”), an individual owner of stock in a non-publicly traded C corporation that sponsors an employee stock ownership plan (“ESOP”) may elect to defer the recognition of gain from the sale of such stock to the ESOP if the seller reinvests the sales proceeds into qualified replacement property, such as stock or other securities issued by a U.S. operating corporation. After the sale, the ESOP must own at least 30 percent of the employer corporation’s stock. Section 114 expands the gain deferral provisions of Code section 1042 with a 10 percent limit on the deferral to sales of employer stock to S corporation ESOPs.	Notice 2024-03 (12/20/23)	Sales made after 12/31/27	SB 711 (SEC. 60) conforms to (a) & (b) of Sec. 114 R&T 18042
SEC. 115. WITHDRAWALS FOR CERTAIN EMERGENCY EXPENSES [§72(t)]	Generally, an additional 10 percent tax applies to early distributions from tax-preferred retirement accounts, such as 401(k) plans and IRAs, unless an exception applies. Section 115 provides an exception for certain distributions used for emergency expenses, which are unforeseeable or immediate financial needs relating to personal or family emergency expenses. Only one distribution is permissible per year of up to \$1,000, and a taxpayer has the option to repay the distribution within 3 years. No further emergency distributions are permissible during the 3 year repayment period unless repayment occurs.	Notice 2026-13 (1/15/26) Notice 2024-55 (6/20/24) with background and Q&As & IR-2024-170 (6/20/24) Notice 2024-03 (12/20/23) See 4/7/23 letter from US Chamber of Commerce to Treasury and IRS noting some needed guidance.	Distributions made after 12/31/23	Yes
SEC. 116. ALLOW ADDITIONAL	Current law requires employers with SIMPLE plans to make employer contributions to employees of either 2 percent of	Notice 2024-03 (12/20/23)	tyba 12/31/23	Yes

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NONELECTIVE CONTRIBUTIONS TO SIMPLE PLANS	compensation or 3 percent of employee elective deferral contributions. Section 116 permits an employer to make additional contributions to each employee of the plan in a uniform manner, provided that the contribution may not exceed the lesser of up to 10 percent of compensation or \$5,000 (indexed).			
SEC. 117. CONTRIBUTION LIMIT FOR SIMPLE PLANS	Under current law, the annual contribution limit for employee elective deferral contributions to a SIMPLE IRA plan is \$14,000 (2022) and the catch-up contribution limit beginning at age 50 is \$3,000. A SIMPLE IRA plan may only be sponsored by a small employer (100 or fewer employees), and the employer is required to either make matching contributions on the first 3 percent of compensation deferred or an employer contribution of 2 percent of compensation (regardless of whether the employee elects to make contributions). Section 117 increases the annual deferral limit and the catch-up contribution at age 50 by 10 percent, as compared to the limit that would otherwise apply in the first year this change is effective, in the case of an employer with no more than 25 employees. An employer with 26 to 100 employees would be permitted to provide higher deferral limits, but only if the employer either provides a 4 percent matching contribution or a 3 percent employer contribution. Section 117 makes similar changes to the contribution limits for SIMPLE 401(k) plans. Section 117 is effective for taxable years beginning after December 31, 2023. The Secretary of Treasury shall report to Congress on data related to SIMPLE IRAs by December 31, 2024, and annually thereafter.	IR-2025-07 (1/10/25) and Prop. Regs. (REG-101268-24 (1/13/25)) Q&As in Notice 2024-2 (12/20/23) Notice 2024-03 (12/20/23)	See SFC summary	SB 711 (SEC. 51) Yes
SEC. 118. TAX TREATMENT OF CERTAIN NONTRADE OR	Section 118 permits employers of domestic employees (e.g., nannies) to provide retirement benefits for such employees under a Simplified Employee Pension (“SEP”).		tyba 12/29/22	No

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BUSINESS SEP CONTRIBUTIONS				
SEC. 119. APPLICATION OF SECTION 415 LIMIT FOR CERTAIN EMPLOYEES OF RURAL ELECTRIC COOPERATIVES	Under current law, section 415 generally limits the amount that may be paid by a pension plan in annual benefits to a participant to the lesser of \$245,000 (2022) or 100 percent of the participant's average compensation. Section 119 eliminates the compensation-based limit for participants who are non-highly compensated employees and participate in a rural electric cooperative retirement plan.		Limitation years ending after 12/29/22	Yes
SEC. 120. EXEMPTION FOR CERTAIN AUTOMATIC PORTABILITY TRANSACTIONS	Under current law, an employer is permitted to distribute a participant's account balance without participant consent if the balance is under \$5,000 and the balance is immediately distributable (e.g., after a termination of employment). Current law also requires an employer to roll over this distribution into a default IRA if the account balance is at least \$1,000 and the participant does not affirmatively elect otherwise. Section 120 permits a retirement plan service provider to provide employer plans with automatic portability services. Such services involve the automatic transfer of a participant's default IRA (established in connection with a distribution from a former employer's plan) into the participant's new employer's retirement plan, unless the participant affirmatively elects otherwise.		Transactions occurring on or after 12/29/23	n/a CA does not conform to the 15% excise tax of \$4975
SEC. 121. STARTER 401(k) PLANS FOR EMPLOYERS WITH NO RETIREMENT PLAN	Section 121 permits an employer that does not sponsor a retirement plan to offer a starter 401(k) plan (or safe harbor 403(b) plan). A starter 401(k) plan (or safe harbor 403(b) plan) would generally require that all employees be default enrolled in the plan at a 3 to 15 percent of compensation deferral rate. The limit on annual deferrals would be the same as the IRA contribution limit, which for 2022 is \$6,000 with an additional \$1,000 in catch-up contributions beginning at age 50.	Notice 2024-03 (12/20/23)	Plan years beg after 12/31/23	Yes

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SEC. 122. ASSIST STATES IN LOCATING OWNERS OF APPLICABLE SAVINGS BONDS	<p>To facilitate efforts to locate the owners of matured and unredeemed savings bonds, Section 122 requires the Treasury Secretary to share certain relevant information with a state that relates to an applicable savings bond registered to an owner with a last known or registered address in that state. The state is permitted to use that information to locate the registered owner in accordance with the state’s standards for recovery of abandoned property. Section 122 further requires the Treasury Secretary to develop guidance as may be necessary to carry out the proper disclosure and protection of such information. The Treasury Secretary also is required to submit to the Senate Appropriations and Finance Committees and House Appropriations and Ways and Means Committees an annual report assessing its efforts to provide states with information on unclaimed savings bonds.</p>		12/29/22	Not addressed
SEC. 123. CERTAIN SECURITIES TREATED AS PUBLICLY TRADED IN CASE OF EMPLOYEE STOCK OWNERSHIP PLANS	<p>Section 123 updates certain ESOP rules related to whether a security is a “publicly traded employer security” and “readily tradeable on an established securities market.” Section 123 allows certain non-exchange traded securities to qualify as “publicly traded employer securities” so long as the security is subject to priced quotations by at least four dealers on a Securities and Exchange Commission-regulated interdealer quotation system, is not a penny stock and is not issued by a shell company, and has a public float of at least 10 percent of outstanding shares. For securities issued by domestic corporations, the issuer must publish annual audited financial statements. Securities issued by foreign corporations are subject to additional depository and reporting requirements. The updated definitions in Section 123 will allow highly regulated companies with liquid securities that are quoted on non-exchange markets to treat their stock as “public” for ESOP purposes, thus making it easier for these companies to offer ESOPs to their U.S. employees.</p>		Plan years beg after 12/31/27	Yes

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SEC. 124. MODIFICATION OF AGE REQUIREMENT FOR QUALIFIED ABLE PROGRAMS	Current law allows states to create qualified ABLE programs, which are tax-advantaged savings programs for certain people with disabilities. Distributions from an ABLE account are tax-free if used for qualified disability expenses of the account's designated beneficiary. Section 124 increases the age by which blindness or disability must occur for an individual to be an eligible individual by reason of such blindness or disability for an ABLE program. [increased to age 46]	Social Security Administration summary (12/14/23)	tyba 2025	No
SEC. 125. IMPROVING COVERAGE FOR PART-TIME WORKERS	The SECURE Act requires employers to allow long-term, part-time workers to participate in the employers' 401(k) plans. The SECURE Act provision provides that – except in the case of collectively bargained plans – employers maintaining a 401(k) plan must have a dual eligibility requirement under which an employee must complete either 1 year of service (with the 1,000-hour rule) or 3 consecutive years of service (where the employee completes at least 500 hours of service). Section 125 reduces the 3 year rule to 2 years, effective for plan years beginning after December 31, 2024. Section 125 also provides that pre-2021 service is disregarded for vesting purposes, just as such service is disregarded for eligibility purposes under current law, effective as if included in the SECURE Act to which the amendment relates. This provision also extends the long-term part-time coverage rules to 403(b) plans that are subject to ERISA.	Notice 2024-73 (10/3/24) and IR-2024-257 (10/4/24) – guidance on application of §403(b)(12) nondiscrimination rules to these arrangements REG-104194-23 (11/27/23) - Long-Term, Part-Time Employee Rules for Cash or Deferred Arrangements Under Section 401(k) (also relates to Sec. 112 of SECURE Act of 2019 (1.0))	See SFC summary	Yes
SEC. 126. SPECIAL RULES FOR CERTAIN DISTRIBUTIONS	Section 126 amends the Internal Revenue Code to allow for tax and penalty free rollovers from 529 accounts to Roth IRAs, under certain conditions. Beneficiaries of 529 college savings accounts would be permitted to rollover up to \$35,000 over the course of their lifetime from any 529 account in their name to		Distributions after 2023	No

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FROM LONG-TERM QUALIFIED TUITION PROGRAMS TO ROTH IRAS	<p>their Roth IRA. These rollovers are also subject to Roth IRA annual contribution limits, and the 529 account must have been open for more than 15 years. [Note: per §529(c)(3)(E)(i), the requirement is that the 529 account must have been open for at least 15 years (not over 15 years).]</p> <p>Families and students have concerns about leftover funds being trapped in 529 accounts unless they take a non-qualified withdrawal and assume a penalty. This has led to hesitating, delaying, or declining to fund 529s to levels needed to pay for the rising costs of education. Section 126 eliminates this concern by providing families and students with the option to avoid the penalty, resulting in families putting more into their 529 account. Families who sacrifice and save in 529 accounts should not be punished with tax and penalty years later if the beneficiary has found an alternative way to pay for their education. They should be able to retain their savings and begin their retirement account on a positive note.</p>			
SEC. 127. EMERGENCY SAVINGS ACCOUNTS LINKED TO INDIVIDUAL ACCOUNT PLANS	<p>Though individuals can save on their own, far too many fail to do so. According to a report by the Federal Reserve, almost half of Americans would struggle to cover an unexpected \$400 expense. Many are forced to tap into their retirement savings. A recent study found that, in the past year, almost 60 percent of retirement account participants who lack emergency savings tapped into their long-term retirement savings, compared to only 9 percent of those who had at least a month of emergency savings on hand. Separating emergency savings from one's retirement savings account will provide participants a better understanding that one account is for short-term emergency needs and the other is for long-term retirement savings, thus empowering employees to handle unexpected financial shocks without jeopardizing their long-term financial security in retirement through emergency hardship withdrawals.</p>	<p>Notice 2024-22 (1/12/24) – initial guidance on anti-abuse rules and certain other issues for Pension-Linked Emergency Savings Accounts (PLESA). Also see IR-2024-11 (1/12/24).</p> <p>FAQs from Dept. of Labor.</p> <p>See 4/7/23 letter from US Chamber of Commerce to Treasury</p>	See SFC summary	Yes

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	<p>Section 127 provides employers the option to offer to their non-highly compensated employees pension-linked emergency savings accounts. Employers may automatically opt employees into these accounts at no more than 3 percent of their salary, and the portion of an account attributable to the employee’s contribution is capped at \$2,500 (or lower as set by the employer). Once the cap is reached, the additional contributions can be directed to the employee’s Roth defined contribution plan (if they have one) or stopped until the balance attributable to contributions falls below the cap. Contributions are made on a Roth-like basis and are treated as elective deferrals for purposes of retirement matching contributions with an annual matching cap set at the maximum account balance – i.e., \$2,500 or lower as set by the plan sponsor. The first four withdrawals from the account each plan year may not be subject to any fees or charges solely on the basis of such withdrawals. At separation from service, employees may take their emergency savings accounts as cash or roll it into their Roth defined contribution plan (if they have one) or IRA.</p>	<p>and IRS noting some needed guidance.</p> <p>Changes to 2024 Form W-4 – see “What’s New” in instructions.</p>		
SEC. 128. ENHANCEMENT OF 403(b) PLANS	<p>Under current law, 403(b) plan investments are generally limited to annuity contracts and publicly traded mutual funds. This limitation cuts off 403(b) plan participants – generally, employees of charities and public schools, colleges, and universities– from access to collective investment trusts, which are often used by 401(a) plans to expand investment options for plan participants at a lower overall cost. Section 128 would permit 403(b) custodial accounts to participate in group trusts with other tax-preferred savings plans and IRAs.</p>		After 12/29/22	Yes
TITLE II—PRESERVATION OF INCOME				
SEC. 201. REMOVE REQUIRED MINIMUM DISTRIBUTION	<p>Section 201 eliminates certain barriers to the availability of life annuities in qualified plans and IRAs that arise under current law due to an actuarial test in the required minimum distribution regulations. The test is intended to limit tax deferral by</p>	Final regs (TD 10001 ; 7/19/24)	Calendar year 2023.	Yes

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BARRIERS FOR LIFE ANNUITIES	precluding commercial annuities from providing payments that start out small and increase excessively over time. In operation, however, the test commonly prohibits many important guarantees that provide only modest benefit increases under life annuities. For example, guaranteed annual increases of only 1 or 2 percent, return of premium death benefits, and period certain guarantees for participating annuities are commonly prohibited by this test. Without these types of guarantees, many individuals are unwilling to elect a life annuity under a defined contribution plan or IRA.			
SEC. 202. QUALIFYING LONGEVITY ANNUITY CONTRACTS	In 2014, the Treasury Department published final regulations on qualifying longevity annuity contracts (“QLACs”). QLACs are generally deferred annuities that begin payment at the end of an individual’s life expectancy. Because payments start so late, QLACs are an inexpensive way for retirees to hedge the risk of outliving their savings in defined contribution plans and IRAs. The minimum distribution rules were an impediment to the growth of QLACs in defined contribution plans and IRAs because those rules generally require payments to commence at age 72, before QLACs begin payments. The 2014 regulations generally exempted QLACs from the minimum distribution rules until payments commence. However, due to a lack of statutory authority to provide a full exemption, the regulations imposed certain limits on the exemption that have prevented QLACs from achieving their intended purpose in providing longevity protection. Section 202 addresses these limitations by repealing the 25 percent limit and allowing up to \$200,000 (indexed) to be used from an account balance to purchase a QLAC. Section 202 also facilitates the sales of QLACs with spousal survival rights – and clarifies that free-look periods are permitted up to 90 days with respect to contracts purchased or received in an exchange on or after July 2, 2014.	Ann. 2025-02 (12/18/24) - Treasury and IRS anticipate that certain portions of future regs finalizing the proposed regs will apply beginning in the 2026 distribution calendar year. Final regs (TD 10001 ; 7/19/24) REG-103529-23 (7/19/24) Notice 2023-75 (11/1/12) – “dollar limitation on premiums paid for a qualifying longevity annuity contract under § 1.401(a)(9)-6, A-	Contracts purchased or received in an exchange on 12/29/22; Treasury must update relevant regs within 18 months of 12/29/22.	Not addressed

SEC. # & name	SFC Summary [be sure to see P.L. 117-328 for exact statutory changes]	Guidance	Effective Date	Does CA conform?
		17(b)(2)(i), which was increased to \$200,000 pursuant to section 202 of the SECURE 2.0 Act of 2022 (“SECURE 2.0 Act”1) with respect to contracts purchased or received in an exchange on or after December 29, 2022 remains \$200,000.” Notice 2024-03 (12/20/23)		
SEC. 203. INSURANCE-DEDICATED EXCHANGE-TRADED FUNDS	Exchange-traded funds (“ETFs”) are pooled investment vehicles that are traded on stock exchanges. They are similar to mutual funds, except the shares can be traded throughout the day on the stock market, rather than having to be held until after the market closes. ETFs are widely available through retirement plans, IRAs, and taxable investment accounts. However, outdated Treasury Department regulations have prevented ETFs from being widely available through individual variable annuities. Simply because the regulations were written before ETFs existed, ETFs cannot satisfy the regulatory requirements to be “insurance-dedicated.” Section 203 directs the Treasury Department to update the regulations to reflect the ETF structure to provide that ownership of an ETF’s shares by certain types of institutions that are necessary to the ETF’s structure would not preclude look-through treatment for the ETF, as long as it otherwise satisfies the current-law requirements for look-through treatment. This essentially would facilitate the creation of a new type of ETF that is “insurance-dedicated.”		Segregated asset account investments made on or after 7 years after 12/29/22; directs Treasury to update relevant regs by that time.	Not addressed

SEC. # & name	SFC Summary [be sure to see P.L. 117-328 for exact statutory changes]	Guidance	Effective Date	Does CA conform?
SEC. 204. ELIMINATING A PENALTY ON PARTIAL ANNUITIZATION	If a tax-preferred retirement account also holds an annuity, current law requires that the account be bifurcated between the portion of the account holding the annuity and the rest of the account for purposes of applying the required minimum distribution rules. This treatment may result in higher minimum distributions than would have been required if the account did not hold an annuity. Section 204 permits the account owner to elect to aggregate distributions from both portions of the account for purposes of determining minimum distributions.	Ann. 2025-02 (12/18/24) - Treasury and IRS anticipate that certain portions of future regs finalizing the proposed regs will apply beginning in the 2026 distribution calendar year. Final regs (TD 10001 ; 7/19/24) REG-103529-23 (7/19/24)	12/29/22; Treasury to update relevant regs.	Not addressed
TITLE III—SIMPLIFICATION AND CLARIFICATION OF RETIREMENT PLAN RULES				
SEC. 301. RECOVERY OF RETIREMENT PLAN OVERPAYMENTS	Sometimes retirees mistakenly receive more money than they are owed under their retirement plans. These mistakes cause problems when they occur over time, and plan fiduciaries later seek to recover the overpayments from unsuspecting retirees. When an overpayment has lasted for years, plans often compel retirees to repay the amount of the overpayment, plus interest, which can be substantial. Even small overpayment amounts can create a hardship for a retiree living on a fixed income. Section 301 allows retirement plan fiduciaries the latitude to decide not to recoup overpayments that were mistakenly made to retirees. If plan fiduciaries choose to recoup overpayments, limitations and protections apply to safeguard innocent retirees. This protects both the benefits of future retirees and the benefits of current retirees. Rollovers of the overpayments also remain valid.	Notice 2024-77 (10/15/24) See 4/7/23 letter from US Chamber of Commerce to Treasury and IRS noting some needed guidance.	12/29/22	Yes

SEC. # & name	SFC Summary [be sure to see P.L. 117-328 for exact statutory changes]	Guidance	Effective Date	Does CA conform?
SEC. 302. REDUCTION IN EXCISE TAX ON CERTAIN ACCUMULATIONS IN QUALIFIED RETIREMENT PLANS	Section 302 reduces the penalty for failure to take required minimum distributions from 50 to 25 percent. Further, if a failure to take a required minimum distribution from an IRA is corrected in a timely manner, as defined under this Act, the excise tax on the failure is further reduced from 25 percent to 10 percent.	Ann. 2025-02 (12/18/24) - Treasury and IRS anticipate that certain portions of future regs finalizing the proposed regs will apply beginning in the 2026 distribution calendar year. Final regs (TD 10001 ; 7/19/24) REG-103529-23 (7/19/24) See 9/12/23 letter from AICPA to HWM and SFC seeking technical correction. Notice 2024-35 (4/16/24)	tyba 12/29/22	n/a
SEC. 303. RETIREMENT SAVINGS LOST AND FOUND	Every year, thousands of people approach retirement but are unable to find and receive the benefits that they earned often because the company they worked for moved, changed its name, or merged with a different company. Similarly, every year there are employers around the country ready to pay benefits to retirees, but they are unable to find the retirees because the former employees changed their names or addresses. Section 303 creates a national online searchable lost and found database for Americans' retirement plans at the Department of Labor ("DOL"). The database will enable retirement savers, who might have lost track of their pension or		Database to be created no later than 2 years after 12/29/22	Not addressed

SEC. # & name	SFC Summary [be sure to see P.L. 117-328 for exact statutory changes]	Guidance	Effective Date	Does CA conform?
	401(k) plan, to search for the contact information of their plan administrator.			
SEC. 304. UPDATING DOLLAR LIMIT FOR MANDATORY DISTRIBUTIONS	Under current law, employers may transfer former employees' retirement accounts from a workplace retirement plan into an IRA if their balances are between \$1,000 and \$5,000. Section 307 increases the limit from \$5,000 to \$7,000.	Notice 2024-03 (12/20/23)	Distributions made after 12/31/23	Yes
SEC. 305. EXPANSION OF EMPLOYEE PLANS COMPLIANCE RESOLUTION SYSTEM	Because of the ever growing complexity of retirement plan administration, Section 305 expands the Employee Plans Compliance Resolution System ("EPCRS") to (1) allow more types of errors to be corrected internally through self-correction, (2) apply to inadvertent IRA errors, and (3) exempt certain failures to make required minimum distributions from the otherwise applicable excise tax. For example, Section 305 allows for correction of many plan loan errors through self-correction, which are a frequent area of error and can be burdensome to correct a single loan error through the Internal Revenue Service.	Notice 2023-43 (5/25/23)	12/29/22 Any guidance or revised guidance to be promulgated by 12/29/24. Rev. Proc. 2021-30 (or any successor guidance) shall be updated no later than 12/29/24.	Not addressed
SEC. 306. ELIMINATE THE "FIRST DAY OF THE MONTH" REQUIREMENT FOR GOVERNMENTAL SECTION 457(b) PLANS	Under current law, participants in a governmental 457(b) plan must request changes in their deferral rate prior to the beginning of the month in which the deferral will be made. This rule does not exist for other defined contribution plans. Section 306 allows such elections to be made at any time prior to the date that the compensation being deferred is available.		tyba 12/29/22	Yes
SEC. 307. ONE- TIME ELECTION FOR QUALIFIED CHARITABLE	Section 307 expands the IRA charitable distribution provision to allow for a one-time, \$50,000 distribution to charities through charitable gift annuities, charitable remainder unitrusts, and charitable remainder annuity trusts. Section 307 also indexes	Notice 2023-75 (11/1/23) provides inflation adjusted amount for QCD under	Distributions made in tax years ending after 12/29/22	Yes

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DISTRIBUTION TO SPLIT-INTEREST ENTITY; INCREASE IN QUALIFIED CHARITABLE DISTRIBUTION LIMITATION	for inflation the annual IRA charitable distribution limit of \$100,000.	§408(d)(8)(A) as \$105,000. QCD made directly to split-interest entity under §408(d)(8)(F) is increased from \$50,000 to \$53,000.		
SEC. 308. DISTRIBUTIONS TO FIREFIGHTERS	Under current law, if an employee terminates employment after age 55 and takes a distribution from a retirement plan, the 10 percent early distribution tax does not apply. However, there is a special rule for “qualified public safety employees” in governmental plans, under which age 50 is substituted for age 55 for purposes of this exception from the 10 percent tax. This exemption applies to public sector firefighters, but not private sector firefighters. Section 308 extends the age 50 rule to private sector firefighters, who merit the same treatment for distributions.		Distributions made after 12/29/22	Yes
SEC. 309. EXCLUSION OF CERTAIN DISABILITY-RELATED FIRST RESPONDER RETIREMENT PAYMENTS	Section 309 permits first responders to exclude service-connected disability pension payments from gross income after reaching retirement age.		Amounts received in tax years beginning after 12/31/26.	SB 711 (SEC. 24) for amounts with respect to tax years beginning on or after 1/1/27 R&T 17156.2
SEC. 310. APPLICATION OF TOP HEAVY RULES TO DEFINED CONTRIBUTION PLANS COVERING	Under current law, qualified retirement plans must pass the top-heavy test, in addition to other nondiscrimination tests. Plans that are deemed top-heavy are required to provide employees with a minimum of a 3 percent of pay nonelective contribution, which is a significant cost to small businesses. Other nondiscrimination tests that apply to 401(k) plans allow an employer to test otherwise excludable employees (e.g., those	Notice 2024-03 (12/20/23)	Plan years beginning after 12/31/23	Yes

SEC. # & name	SFC Summary [be sure to see P.L. 117-328 for exact statutory changes]	Guidance	Effective Date	Does CA conform?
EXCLUDABLE EMPLOYEES	<p>who are under age 21 and have less than 1 year of service) separately. This was intended to encourage plan sponsors to permit employees to defer earlier than the minimum age and service conditions permitted under the law because it reduces the situations where plans would fail the nondiscrimination tests if these employees were included when performing the test. However, this separate testing is not allowed for the top-heavy test. Small business retirement plans often do not cover excludable employees because, if the plan is or becomes top heavy, the employer may be required to contribute a top-heavy employer contribution for all employees who are eligible to participate in the plan, straining the budget for these small businesses. Section 310 allows an employer to perform the top-heavy test separately on the non-excludable and excludable employees. This removes the financial incentive to exclude employees from the 401(k) plan and increase retirement plan coverage to more workers.</p>			
SEC. 311. REPAYMENT OF QUALIFIED BIRTH OR ADOPTION DISTRIBUTION LIMITED TO 3 YEARS	<p>The SECURE Act included a provision that allows individuals to receive distributions from their retirement plan in the case of birth or adoption without paying the 10 percent additional tax under Code section 72(t) (known as a qualified birth or adoption distribution, or “QBAD”). The distributions can be recontributed to a retirement plan at any time and are treated as rollovers. The problem with current law is the allowance of recontributions at any time. Code section 6511 prevents a refund from being provided to a taxpayer after the period of limitations for the return has closed, which is generally a 3 year period. Thus, there would not be a mechanism under the Code allowing someone who took a birth/adoption distribution to recontribute the distribution more than 3 years later and amend their return to receive a refund for the taxes that were paid in the year of the withdrawal. Section 311 amends the QBAD provision to restrict the recontribution period to 3 years.</p>	Notice 2024-03 (12/20/23)	Distributions made after 12/29/22 and retroactively to 3-year period beginning on day after date such distribution was received.	Yes

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SEC. 312. EMPLOYER MAY RELY ON EMPLOYEE CERTIFYING THAT DEEMED HARDSHIP DISTRIBUTION CONDITIONS ARE MET	Section 312 provides that, under certain circumstances, employees are permitted to self-certify that they have had an event that constitutes a hardship for purposes of taking a hardship withdrawal. This is a logical step in light of the success of the coronavirus-related distribution self-certification rules and the current hardship regulations that already permit employees to self-certify that they do not have other funds available to address a hardship.		Plan years beginning after 12/29/22.	Yes
SEC. 313. INDIVIDUAL RETIREMENT PLAN STATUTE OF LIMITATIONS FOR EXCISE TAX ON EXCESS CONTRIBUTIONS AND CERTAIN ACCUMULATIONS	Under current law, the statute of limitations for excise taxes imposed on excess contributions, or required minimum distribution failures start running as of the date that a specific excise tax return (Form 5329) is filed for the violation. Individuals often are not aware of the requirement to file Form 5329, and this can lead to an indefinite period of limitations that can cause hardship for taxpayers due to the accumulation of interest and penalties (see <i>Paschall v. C.I.R.</i> , 137 T.C. 8 (2011)). In order to provide finality for taxpayers in the administration of these excise taxes, Section 313 provides that a 3 year period of limitations begins when the taxpayer files an individual tax return (Form 1040) for the year of the violation, except in the case of excess contributions, in which case the period of limitations runs 6 years from the date Form 1040 is filed. There is a further exception from this 6 year rule for taxes that arise out of a bargain sale to the IRA. In general, these changes are intended to ensure that there is a reasonable period of limitations for violations of which taxpayers were not aware and thus did not file an excise tax return, while retaining existing law in fact scenarios that involve a bargain sale.	See 9/12/23 letter from AICPA to HWM and SFC seeking technical correction.	12/29/22	n/a

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SEC. 314. PENALTY-FREE WITHDRAWAL FROM RETIREMENT PLANS FOR INDIVIDUAL IN CASE OF DOMESTIC ABUSE	A domestic abuse survivor may need to access his or her money in their retirement account for various reasons, such as escaping an unsafe situation. Section 314 allows retirement plans to permit participants that self-certify that they experienced domestic abuse to withdraw a small amount of money (the lesser of \$10,000, indexed for inflation, or 50 percent of the participant’s account). A distribution made under Section 314 is not subject to the 10 percent tax on early distributions. Additionally, a participant has the opportunity to repay the withdrawn money from the retirement plan over 3 years and will be refunded for income taxes on money that is repaid.	Notice 2024-55 (6/20/24) with background and Q&As & IR-2024-170 (6/20/24) Notice 2024-03 (12/20/23)	Distributions made after 12/31/23	Yes
SEC. 315. REFORM OF FAMILY ATTRIBUTION RULE	Under the Code, certain related businesses must be aggregated when performing the coverage and nondiscrimination tests. The aggregation rules are generally based on the degree of common ownership of the businesses. In determining the level of ownership in a business, the tax laws have certain attribution rules whereby an individual is deemed to own stock held by other individuals or entities. Section 315 updates two stock attribution rules. The first update addresses inequities where spouses with separate businesses reside in a community property state when compared to spouses who reside in separate property states. The second update modifies the attribution of stock between parents and minor children.		Plan years beginning after 12/31/23	Yes
SEC. 316. AMENDMENTS TO INCREASE BENEFIT ACCRUALS UNDER PLAN FOR PREVIOUS PLAN YEAR ALLOWED UNTIL EMPLOYER	The SECURE Act permits an employer to adopt a new retirement plan by the due date of the employer’s tax return for the fiscal year in which the plan is effective. Current law, however, provides that plan amendments to an existing plan must generally be adopted by the last day of the plan year in which the amendment is effective. This precludes an employer from adding plan provisions that may be beneficial to participants. Section 316 amends these provisions to allow discretionary amendments that increase participants’ benefits to be adopted by the due date of the employer’s tax return.		Plan years beginning after 12/31/23	Yes

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TAX RETURN DUE DATE				
SEC. 317. RETROACTIVE FIRST YEAR ELECTIVE DEFERRALS FOR SOLE PROPRIETORS	Under the SECURE Act, an employer may establish a new 401(k) plan after the end of the taxable year, but before the employer’s tax filing date and treat the plan as having been established on the last day of the taxable year. Such plans may be funded by employer contributions up to the employer’s tax filing date. Section 317 allows these plans, when they are sponsored by sole proprietors or single member LLCs, to receive employee contributions up to the date of the employee’s tax return filing date for the initial year.	Notice 2024-03 (12/20/23)	Plan years beginning after 12/29/22	Yes
SEC. 318. PERFORMANCE BENCHMARKS FOR ASSET ALLOCATION FUNDS	The DOL’s participant disclosure regulation requires that each designated investment alternative’s historical performance be compared to an appropriate broad-based securities market index. However, the rule does not adequately address increasingly popular investments like target date funds that include a mix of asset classes. Section 318 directs the Labor Secretary to update the DOL’s regulations so that an investment that uses a mix of asset classes can be benchmarked against a blend of broad-based securities market indices, provided (a) the index blend reasonably matches the fund’s asset allocation over time, (b) the index blend is reset at least once a year, and (c) the underlying indices are appropriate for the investment’s component asset classes and otherwise meet the rule’s conditions for index benchmarks. This change in the disclosure rule allows better comparisons and aids participant decision-making.		DOL to update rules by 12/29/24 and report to Congress on effectiveness of benchmarking requirements within 3 years after applicability date of regs.	Not addressed
SEC. 319. REVIEW AND REPORT TO CONGRESS RELATING TO REPORTING AND	Section 319 directs the Treasury Department, DOL, and Pension Benefit Guaranty Corporation to review reporting and disclosure requirements for pension plans as soon as practicable after enactment of this Act.		Agencies to make recommendations to Congress by 12/31/25	Not addressed

SEC. # & name	SFC Summary [be sure to see P.L. 117-328 for exact statutory changes]	Guidance	Effective Date	Does CA conform?
DISCLOSURE REQUIREMENTS				
SEC. 320. ELIMINATING UNNECESSARY PLAN REQUIREMENTS RELATED TO UNENROLLED PARTICIPANTS	<p>Under current law, employees eligible to participate in a retirement plan are required to receive a broad array of notices that are intended to inform them of their various options and rights under the plan. In the case of eligible employees who have not elected to participate in the plan (“unenrolled participants”), these notices – such as notices regarding the different investment options available under the plan – are generally unnecessary, and can even have adverse effects on savings and coverage.</p> <p>Section 320 no longer requires employers provide certain intermittent ERISA or Code notices to unenrolled participants who have not elected to participate in a workplace retirement plan. However, to further encourage participation of unenrolled participants, the plan is required to send (1) an annual reminder notice of the participant’s eligibility to participate in the plan and any applicable election deadlines, and (2) any otherwise required document requested at any time by the participant. This rule applies only with respect to an unenrolled participant who received the summary plan description, in connection with initial eligibility under the plan, and any other notices related to eligibility under the plan required to be furnished.</p>		Plan years beginning after 12/31/22	Yes
SEC. 321. REVIEW OF PENSION RISK TRANSFER INTERPRETIVE BULLETIN	Section 321 requires the DOL to review the current interpretive bulletin governing pension risk transfers to determine whether amendments are warranted and to report to Congress its finding, including an assessment of any risk to participant, no later than 1 year after enactment of this Act.		DOL to report to Congress by 12/29/23.	Not addressed
SEC. 322. TAX TREATMENT OF IRA INVOLVED IN A	When an individual engages in a prohibited transaction with respect to their IRA, the IRA is disqualified and treated as distributed to the individual, irrespective of the size of the		tyba 12/29/22	Yes

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PROHIBITED TRANSACTION	prohibited transaction. Section 322 clarifies that if an individual has multiple IRAs, only the IRA with respect to which the prohibited transaction occurred will be disqualified.			
SEC. 323. CLARIFICATION OF SUBSTANTIALLY EQUAL PERIODIC PAYMENT RULE	Current law imposes a 10 percent additional tax on early distributions from tax-preferred retirement accounts, but an exception applies to substantially equal periodic payments that are made over the account owner's life expectancy. Section 323 provides that the exception continues to apply in the case of a rollover of the account, an exchange of an annuity providing the payments, or an annuity that satisfies the required minimum distribution rules.		For transfers, rollovers, exchanges after 12/31/23 and effective for annuity distributions on or after 12/29/22.	Partially
SEC. 324. TREASURY GUIDANCE ON ROLLOVERS	Section 324 requires the Treasury Secretary to simplify and standardize the rollover process by issuing sample forms for direct rollovers that may be used by both the incoming and outgoing retirement plan or IRA.		Development and release of sample forms must be completed by 1/1/25	Not addressed
SEC. 325. ROTH PLAN DISTRIBUTION RULES	Under current law, required minimum distributions are not required to begin prior to the death of the owner of a Roth IRA. However, pre-death distributions are required in the case of the owner of a Roth designated account in an employer retirement plan (e.g., 401(k) plan). Section 325 eliminates the pre-death distribution requirement for Roth accounts in employer plans, effective for taxable years beginning after December 31, 2023. Section 325 does not apply to distributions which are required with respect to years beginning before January 1, 2024, but are permitted to be paid on or after such date.	Ann. 2025-02 (12/18/24) - Treasury and IRS anticipate that certain portions of future regs finalizing the proposed regs will apply beginning in the 2026 distribution calendar year. Final regs (TD 10001 ; 7/19/24) REG-103529-23 (7/19/24)	See SFC summary.	Yes

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SEC. 326. EXCEPTION TO PENALTY ON EARLY DISTRIBUTIONS FROM QUALIFIED PLANS FOR INDIVIDUALS WITH A TERMINAL ILLNESS	Under current law, an additional 10 percent tax applies to early distributions from tax-preferred retirement accounts. Section 326 provides an exception to the tax in the case of a distribution to a terminally ill individual.	Q&As in Notice 2024-2 (12/20/23) See 9/12/23 letter from AICPA to HWM and SFC seeking technical correction.	Distributions made after 12/29/22	Yes
SEC. 327. SURVIVING SPOUSE ELECTION TO BE TREATED AS EMPLOYEE	Section 327 allows a surviving spouse to elect to be treated as the deceased employee for purposes of the required minimum distribution rules.	Ann. 2025-02 (12/18/24) - Treasury and IRS anticipate that certain portions of future regs finalizing the proposed regs will apply beginning in the 2026 distribution calendar year. Final regs (TD 10001 ; 7/19/24) REG-103529-23 (7/19/24)	Calendar years beginning after 12/31/23	Yes
SEC. 328. REPEAL OF DIRECT PAYMENT REQUIREMENT ON EXCLUSION FROM GROSS INCOME OF DISTRIBUTIONS	Current law provides an exclusion from gross income (\$3,000) for a distribution from a governmental retirement plan to a public safety officer to pay for their health insurance premiums. The exclusion requires that the plan directly pay the insurance premiums. Section 328 repeals the direct payment requirement.	Notice 2024-03 (12/20/23)	Distributions made after 12/29/22	Yes

SEC. # & name	SFC Summary [be sure to see P.L. 117-328 for exact statutory changes]	Guidance	Effective Date	Does CA conform?
FROM GOVERNMENTAL PLANS FOR HEALTH AND LONG-TERM CARE INSURANCE				
SEC. 329. MODIFICATION OF ELIGIBLE AGE FOR EXEMPTION FROM EARLY WITHDRAWAL PENALTY	The 10 percent additional tax on early distributions from tax preferred retirement savings plans does not apply to a distribution from a governmental plan to a public safety officer who is at least age 50. Section 329 extends the exception to public safety officers with at least 25 years of service with the employer sponsoring the plan.		Distributions made after 12/29/22	Yes
SEC. 330. EXEMPTION FROM EARLY WITHDRAWAL PENALTY FOR CERTAIN STATE AND LOCAL GOVERNMENT CORRECTIONS EMPLOYEES	Section 330 extends the public safety officer exception to the 10 percent early distribution tax to corrections officers who are employees of state and local governments.		Distributions made after 12/29/22	Yes
SEC. 331. SPECIAL RULES FOR USE OF RETIREMENT FUNDS IN CONNECTION WITH QUALIFIED FEDERALLY	Section 331 provides permanent rules relating to the use of retirement funds in the case of a federally declared disaster. The permanent rules allow up to \$22,000 to be distributed from employer retirement plans or IRAs for affected individuals. Such distributions are not subject to the 10 percent additional tax and are taken into account as gross income over 3 years. Distributions can be repaid to a tax preferred retirement	See Form 8915-F and instructions. Notice 2024-03 (12/20/23)	Disasters occurring on or after 1/26/21	Partially

SEC. # & name	SFC Summary [be sure to see P.L. 117-328 for exact statutory changes]	Guidance	Effective Date	Does CA conform?
DECLARED DISASTERS	account. Additionally, amounts distributed prior to the disaster to purchase a home can be recontributed, and an employer is permitted to provide for a larger amount to be borrowed from a plan by affected individuals and for additional time for repayment of plan loans owed by affected individuals.	FS-2024-19 (5/3/24) released in IR-2024-132 (5/3/24)		
SEC. 332. EMPLOYERS ALLOWED TO REPLACE SIMPLE RETIREMENT ACCOUNTS WITH SAFE HARBOR 401(k) PLANS DURING A YEAR	Section 332 allows an employer to replace a SIMPLE IRA plan with a SIMPLE 401(k) plan or other 401(k) plan that requires mandatory employer contributions during a plan year.	Q&As in Notice 2024-2 (12/20/12)	Plan years beginning after 12/31/23.	Yes
SEC. 333. ELIMINATION OF ADDITIONAL TAX ON CORRECTIVE DISTRIBUTIONS OF EXCESS CONTRIBUTIONS	Current law requires a distribution if too much is contributed to an IRA. The corrective distribution includes the excessive contribution and any earnings allocable to that contribution. Section 333 exempts the excess contribution and earnings allocable to the excess contribution from the 10 percent additional tax on early distributions, and is effective for any determination of, or affecting, liability for taxes, interest, or penalties which is made on or after the date of enactment of this Act, without regard to whether the act (or failure to act) upon which the determination is based occurred before such date of enactment.		See SFC summary	Yes
SEC. 334. LONG-TERM CARE CONTRACTS PURCHASED WITH RETIREMENT PLAN DISTRIBUTIONS	Section 334 permits retirement plans to distribute up to \$2,500 per year for the payment of premiums for certain specified long term care insurance contracts. Distributions from plans to pay such premiums are exempt from the additional 10 percent tax on early distributions. Only a policy that provides for high	Notice 2026-33 (5/20/26)	12/29/25	Partially

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	quality coverage is eligible for early distribution and waiver of the 10 percent tax.			
SEC. 335. CORRECTIONS OF MORTALITY TABLES	Section 335 generally requires that for purposes of the minimum funding rules, a pension plan is not required to assume beyond the plan’s valuation date future mortality improvements at any age greater than 0.78 percent.	TD 9983 (10/20/23), Mortality Tables for Determining Present Value Under Defined Benefit Pension Plans	Treasury to amend reg within 18 months and Sec.335 deemed to take effect on 12/29/22	Not addressed
SEC. 336. REPORT TO CONGRESS ON SECTION 402(f) NOTICES	Section 402(f) notices are given by employer retirement plans in the case of a distribution to a participant that is eligible for rollover to another tax preferred retirement account and describes distribution options and tax consequences.	401(k) Retirement Plan Tax Notices: Federal Actions Can Help Participants Understand Their Distribution Options, GAO-24-107167 (5/22/24)	GAO to issue report within 18 months of 12/29/22	Not addressed
SEC. 337. MODIFICATION OF REQUIRED MINIMUM DISTRIBUTION RULES FOR SPECIAL NEEDS TRUSTS	SECURE Act placed limits on the ability of beneficiaries of defined contribution retirement plans and IRAs to receive lifetime distributions after the account owner’s death. Special rules apply in the case of certain beneficiaries, such as those with a disability. Section 337 clarifies that, in the case of a special needs trust established for a beneficiary with a disability, the trust may provide for a charitable organization as the remainder beneficiary.	Final regs (TD 10001 ; 7/19/24)	Calendar years beginning after 12/29/22	Yes
SEC. 338. REQUIREMENT TO PROVIDE PAPER STATEMENTS IN CERTAIN CASES	Section 338 amends ERISA to generally provide that, with respect to defined contribution plans, unless a participant elects otherwise, the plan is required to provide a paper benefit statement at least once annually. The other three quarterly statements required under ERISA are not subject to this rule (i.e., they can be provided electronically). For defined benefit plans, unless a participant elects otherwise, the statement that must be provided once every 3 years under ERISA must be a paper statement.		DOL to update regs and guidance by 12/31/24. Annual paper statement is effective for plan years beginning after 12/31/25.	Not addressed

SEC. # & name	SFC Summary [be sure to see P.L. 117-328 for exact statutory changes]	Guidance	Effective Date	Does CA conform?
SEC. 339. RECOGNITION OF TRIBAL GOVERNMENT DOMESTIC RELATIONS ORDERS	Tribal courts to the list of courts authorized under federal law to issue qualified domestic relations orders.	Notice 2024-03 (12/20/23)	Domestic relations orders received by plan administrators after 12/31/22, including any order submitted for reconsideration after 12/31/22.	Not addressed
SEC. 340. DEFINED CONTRIBUTION PLAN FEE DISCLOSURE IMPROVEMENTS	Section 340 builds on recommendations recently made to the DOL by the Government Accountability Office, and requires the agency to review its fiduciary disclosure requirements in participant-directed individual account plan regulations. A report must be submitted to Congress within 3 years on such findings, including recommendations for legislative changes.		See SFC summary.	Not addressed
SEC. 341. CONSOLIDATION OF DEFINED CONTRIBUTION PLAN NOTICES	Current law requires certain retirement plan notices to be provided to participants as individual notices. Section 341 directs the Treasury and DOL Secretaries within 2 years to amend regulations to permit a plan to consolidate certain required plan notices.		See SFC summary.	Not addressed
SEC. 342. INFORMATION NEEDED FOR FINANCIAL OPTIONS RISK MITIGATION	Section 342 requires pension plan administrators to provide plan participants and retirees with critical information that would allow people considering what is best for their financial futures to compare between benefits offered under the plan and the lump sum, and would explain how the lump sum was calculated, the ramifications of accepting a lump sum, such as the loss of certain federal protections, details about the election period, where to follow up with questions, and other information. The DOL Secretary must issue regulations implementing this provision not earlier 1 year after enactment. Such regulations must be applicable not earlier than the issuance of a final rule and not later than 1 year after issuance of a final rule.		See SFC summary.	Not addressed

SEC. # & name	SFC Summary [be sure to see P.L. 117-328 for exact statutory changes]	Guidance	Effective Date	Does CA conform?
SEC. 343. DEFINED BENEFIT ANNUAL FUNDING NOTICES	Section 343 aims identify defined benefit pension plan funding issues more clearly on a plan’s annual funding notice.		Plan years beginning after 12/31/23	Not addressed
SEC. 344. REPORT ON POOLED EMPLOYER PLANS	Section 344 requires the DOL Secretary to conduct a study on the new and growing pooled employer plan industry.		Report due 12/20/27 and every 5 years thereafter	Not addressed
SEC. 345. ANNUAL AUDITS FOR GROUP OF PLANS	Under current law, generally, a Form 5500 for a defined contribution plan must contain an opinion from an independent qualified public accountant as to whether the plan’s financial statements and schedules are fairly presented. However, no such opinion is required with respect to a plan covering fewer than 100 participants. Section 345 clarifies that plans filing under a Group of Plans need only to submit an audit opinion if they have 100 participants or more. In other words, DOL and Treasury would continue to receive full audit information on at least the number of plans as under current law.		12/29/22	Not addressed
SEC. 346. WORKER OWNERSHIP, READINESS, AND KNOWLEDGE	Section 346 boosts employee ownership programs through the DOL, which may make grants to promote employee ownership through existing and new programs. Funds are authorized to be appropriated for the purpose of making grants for fiscal years 2025 to 2029.		See SFC summary.	Not addressed
SEC. 347. REPORT BY THE SECRETARY OF LABOR ON THE IMPACT OF INFLATION ON RETIREMENT SAVINGS	Section 347 directs the DOL Secretary, in consultation with the Treasury Secretary, to study the impact of inflation on retirement savings and submit a report to Congress within 90 days on the findings of the study.		See SFC summary.	Not addressed

SEC. # & name	SFC Summary [be sure to see P.L. 117-328 for exact statutory changes]	Guidance	Effective Date	Does CA conform?
SEC. 348. CASH BALANCE	Section 348 clarifies the application of the Code and ERISA’s rules, prohibiting the backloading of benefit accruals, as they relate to hybrid plans that credit variable interest. Specifically, Section 348 clarifies that, for purposes of the applicable Code and ERISA rules, the interest crediting rate that is treated as in effect and as the projected interest crediting rate is a reasonable projection of such variable interest rate, subject to a maximum of 6 percent. This clarification will allow plan sponsors to provide larger pay credits for older longer service workers.	Q&As in Notice 2024-2 (12/20/12)	Plan years beginning after 12/29/22	Not addressed
SEC. 349. TERMINATION OF VARIABLE RATE PREMIUM INDEXING	Section 349 removes the “applicable dollar amount” language in the rules for determining the premium fund target for purposes of unfunded vested benefits and replaces it with a flat \$52 for each \$1,000 of unfunded vested benefits.		12/29/22	Not addressed
SEC. 350. SAFE HARBOR FOR CORRECTIONS OF EMPLOYEE ELECTIVE DEFERRAL FAILURES	Under current law, employers that adopt a retirement plan with automatic enrollment and automatic escalation features could be subject to significant penalties if even honest mistakes are made. The IRS has issued guidance on the correction of failures relating to default enrollment of employees into retirement plans. This guidance includes a safe harbor, which expires December 31, 2023, that permits correction if notice is given to the affected employee, correct deferrals commence within certain specified time periods, and the employer provides the employee with any matching contributions that would have been made if the failure had not occurred. Employers are concerned about the lapse of the safe harbor at the end of 2023. Section 350 eases these concerns by allowing for a grace period to correct, without penalty, reasonable errors in administering these automatic enrollment and automatic escalation features. Errors must be corrected prior to 9 ½	Q&As in Notice 2024-2 (12/20/12)	Errors after 12/31/23	Yes

SEC. # & name	SFC Summary [be sure to see P.L. 117-328 for exact statutory changes]	Guidance	Effective Date	Does CA conform?
	months after the end of the plan year in which the mistakes were made.			
TITLE IV—TECHNICAL AMENDMENTS				
SEC. 401. AMENDMENTS RELATING TO SETTING EVERY COMMUNITY UP FOR RETIREMENT ENHANCEMENT ACT OF 2019	Section 401 includes three technical and five clerical amendments to the SECURE Act. These amendments are effective as if included in the section of the SECURE Act to which the amendment relates.	REG-104194-23 (11/27/23) - Long-Term, Part-Time Employee Rules for Cash or Deferred Arrangements Under Section 401(k) (also relates to Sec. 112 of SECURE Act of 2019 (1.0)) Notice 2024-03 (12/20/23)	See SFC summary	Not addressed
TITLE V—ADMINISTRATIVE PROVISIONS				
SEC. 501. PROVISIONS RELATING TO PLAN AMENDMENTS	Section 501 allows plan amendments made pursuant to this Act to be made on or before the last day of the first plan year beginning on or after January 1, 2025 (2027 in the case of governmental plans) as long as the plan operates in accordance with such amendments as of the effective date of a bill requirement or amendment. Section 501 also conforms the plan amendment dates under the SECURE Act, the CARES Act, and the Taxpayer Certainty and Disaster Tax Relief Act of 2020 to these new dates (instead of 2022 and 2025).	Notice 2026-09 (1/26/26) REG-104194-23 (11/27/23) - Long-Term, Part-Time Employee Rules for Cash or Deferred Arrangements Under Section 401(k) (also relates to Sec. 112 of SECURE Act of 2019 (1.0)) Q&As in Notice 2024-2 (12/20/12)	See SFC summary	Not addressed

SEC. # & name	SFC Summary [be sure to see P.L. 117-328 for exact statutory changes]	Guidance	Effective Date	Does CA conform?
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TITLE VI—REVENUE PROVISIONS				
SEC. 601. SIMPLE AND SEP ROTH IRAS	<p>Generally, all plans that allow pre-tax employee contributions are permitted to accept Roth contributions with one exception – SIMPLE IRAs. 401(k), 403(b), and governmental 457(b) plans are allowed to accept Roth employee contributions. Section 601 allows SIMPLE IRAs to accept Roth contributions too. In addition, aside from grandfathered salaried reduction simplified employee pension plans, under current law, simplified employee pension plans (“SEPs”) can only accept employer money and not on a Roth basis. Section 601 allows employers to offer employees the ability to treat employee and employer SEP contributions as Roth (in whole or in part).</p>	<p>FS-2024-29 (8/29/24) – affect of Sec. 601 on completion of 2023 W-2</p> <p>See 9/12/23 letter from AICPA to HWM and SFC seeking technical correction.</p> <p>See 4/7/23 letter from US Chamber of Commerce to Treasury and IRS noting some needed guidance. Changes to 2024 Form W-4 – see “What’s New” in instructions.</p> <p>FS-2024-18 (May 2024) How changes affect Form W-2</p> <p>Q&As in Notice 2024-2 (12/20/23)</p>	tyba 12/31/22	Yes
SEC. 602. HARDSHIP WITHDRAWAL RULES FOR 403(b) PLANS	<p>Under current law, the distribution rules for 401(k) and 403(b) are different in certain ways that are historical anomalies for varied reasons. For example, for 401(k) plans, all amounts are available for a hardship distribution. For 403(b) plans, in some cases, only employee contributions (without earnings) are available for hardship distributions.</p>		conforms 403(b) rules to the 401(k) rules, effective for plan years beginning after 12/31/23	Yes

SEC. # & name	SFC Summary [be sure to see P.L. 117-328 for exact statutory changes]	Guidance	Effective Date	Does CA conform?
SEC. 603. ELECTIVE DEFERRALS GENERALLY LIMITED TO REGULAR CONTRIBUTION LIMIT	Under current law, catch-up contributions to a qualified retirement plan can be made on a pre-tax or Roth basis (if permitted by the plan sponsor). Section 603 provides all catch-up contributions to qualified retirement plans are subject to Roth tax treatment, effective for taxable years beginning after December 31, 2023. An exception is provided for employees with compensation of \$145,000 or less (indexed).	Final Regs issued 9/15/25 (TD 10033) _ IR-2025-91 . WSJ article on 9/24/25 . IR-2025-07 (1/10/25) and Prop. Regs. (REG-101268-24 (1/13/25)) FS-2024-29 (8/29/24) – affect of Sec. 603 on completion of 2023 W-2 Notice 2023-62 (8/25/23) - Extends until 2026 new requirement that any catch-up contributions made by higher-income participants in 401(k) and similar retirement plans must be designated as after-tax Roth contributions. ¹	See SFC summary	Partially ²

¹ Extends until 2026 new requirement that any catch-up contributions made by higher-income participants in 401(k) and similar retirement plans must be designated as after-tax Roth contributions. “Plan participants who are age 50 and over can continue to make catch-up contributions after 2023, regardless of income.” “Administrative transition period will help taxpayers transition smoothly to new Roth catch-up requirement and is designed to facilitate an orderly transition for compliance with that requirement. The notice also clarifies that the SECURE 2.0 Act does not prohibit plans from permitting catch-up contributions, so plan participants who are age 50 and over can still make catch-up contributions after 2023.” [\[IR-2023-155\]](#)

² Per [2022 FTB conformity report](#): Under RTC sections 17501 and 24601, California automatically conforms to the federal changes made to Part I of Subchapter D of Chapter 1 of Subtitle A of the Internal Revenue Code, which includes IRC section 414. The automatic conformity is modified with respect to the maximum elective deferrals excluded from gross income under IRC 402(g), which is limited to the amount under IRC 402(g), as it read on 1/1/2010, including the elective deferrals

SEC. # & name	SFC Summary [be sure to see P.L. 117-328 for exact statutory changes]	Guidance	Effective Date	Does CA conform?
		<p>Also see IR-2023-155 . This transition ends 12/31/25 per TD 10033 (see above).</p> <p>See 4/7/23 letter from US Chamber of Commerce to Treasury and IRS noting some needed guidance.</p> <p>Issue identification from National Association of Plan Advisers (1/24/23)</p>		
SEC. 604. OPTIONAL TREATMENT OF EMPLOYER MATCHING OR NONELECTIVE CONTRIBUTIONS AS ROTH CONTRIBUTIONS	Under current law, plan sponsors are not permitted to provide employer matching contributions in their 401(k), 403(b), and governmental 457(b) plans on a Roth basis. Matching contributions must be on a pre-tax basis only. Section 604 allows defined contribution plans to provide participants with the option of receiving matching contributions on a Roth basis.	<p>Q&As in Notice 2024-2 (12/20/12)</p> <p>Notice 2024-03 (12/20/23)</p> <p>Changes to 2024 Form W-4 – see “What’s New” in instructions.</p> <p>FS-2024-18 (May 2024) How changes affect Form W-2</p>	12/29/22	Yes

under IRC 414(v), as it read on 1/1/2010. Similarly, the automatic conformity is modified with respect to the maximum deferred compensation that may be excluded from gross income under IRC 457, which is limited to the amount under IRC 457, as it read on 1/1/2010, including the additional elective deferrals under IRC 414(v), as it read on 1/1/2010. Therefore, the federal changes made by this provision automatically applies under California law.”

SEC. # & name	SFC Summary [be sure to see P.L. 117-328 for exact statutory changes]	Guidance	Effective Date	Does CA conform?
		See 4/7/23 letter from US Chamber of Commerce to Treasury and IRS noting some needed guidance.		
SEC. 605. CHARITABLE CONSERVATION EASEMENTS	The tax deduction for charitable contributions of conservation easements has long played a crucial role in incentivizing the preservation of critical habitat, open spaces, and historically important areas and structures. However, since 2016 IRS has identified certain syndicated conservation easement transactions involving pass-through entities as “listed transactions” carrying a high potential for abusive tax avoidance. Section 605 disallows a charitable deduction for a qualified conservation contribution if the deduction claimed exceeds two and one half times the sum of each partner’s relevant basis in the contributing partnership, unless the contribution meets a 3 year holding period test, substantially all of the contributing partnership is owned by members of a family, or the contribution relates to the preservation of a certified historic structure. In the case of a contribution for the preservation of a certified historic structure, a new reporting requirement applies. Section 605 also provides taxpayers the opportunity to correct certain defects in an easement deed (excluding easements involved in abusive transactions) and makes certain changes to statute of limitations and penalty provisions.	<ul style="list-style-type: none"> • See Notice 2023-30 (4/10/23) on safe harbor deed language & IR-2023-73 (4/10/23). • Proposed regulations (REG-112916-23 (11/20/23) and IR-2023-216 (11/27/23)) • FINAL regs – TD 9999 (6/28/24) 	Contributions made after 12/29/22	No
SEC. 606. ENHANCING RETIREE HEALTH BENEFITS IN PENSION PLANS	Under current law, an employer may use assets from an overfunded pension plan to pay retiree health and life insurance benefits. These rules sunset at the end of 2025. Section 606 extends the sunset date to the end of 2032 and would permit transfers to pay retiree health and life insurance benefits provided the transfer is no more than 1.75 percent of plan assets and the plan is at least 110 percent funded.		Transfers made on or after 12/29/22	Yes

SEC. # & name	SFC Summary [be sure to see P.L. 117-328 for exact statutory changes]	Guidance	Effective Date	Does CA conform?
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TITLE VII—TAX COURT RETIREMENT PROVISIONS				
SEC. 701. PROVISIONS RELATING TO JUDGES OF THE TAX COURT	<p>Under current law, Tax Court judges are allowed to contribute to the Thrift Savings Plan (“TSP”), but Tax Court judges are prevented from receiving TSP automatic or matching contributions. Other federal judges, in contrast, may receive automatic and matching contributions if they are not covered by a judicial retirement plan. If those judges later elect to receive judicial retirement benefits, their retired pay is offset by an amount designed to recapture those TSP automatic and matching contributions. Section 701 provides parity between other federal judges and Tax Court judges by extending the same TSP matching contributions policy to Tax Court judges. Additionally, Tax Court judges may elect to participate in a plan providing benefits for the judge’s surviving spouse and dependent children. Benefits currently vest only after the judge has performed at least 5 years of service and made contributions for at least 5 years of service. In contrast, other federal judges vest after 18 months of service, and the 18-month period is waived if the judge is assassinated. Section 701 provides parity between other federal judges and Tax Court judges by applying the 18-month vesting period and assassination waiver to Tax Court judges. Lastly, Section 701 provides that compensation earned by retired Tax Court judges (i.e., those who are disabled or meet the recall requirements) for teaching is not treated as outside earned income for purposes of limitations under the Ethics in Government Act of 1978, and makes technical amendments to coordinate Tax Court judicial retirement with the Federal Employees Retirement System (“FERS”) and the retirement and survivors’ annuities plans.</p>		Generally 12/29/22	Not addressed
SEC. 702. PROVISIONS RELATING TO	Special trial judges of the Tax Court are the only judicial officers who do not have an option to participate in a judicial retirement program. Section 702 establishes a retirement plan under		See SFC summary	Not addressed

SEC. # & name	SFC Summary [be sure to see P.L. 117-328 for exact statutory changes]	Guidance	Effective Date	Does CA conform?
SPECIAL TRIAL JUDGES OF THE TAX COURT	which a special trial judge may elect to receive retired pay in a manner and under rules similar to the regular judges of the Court. The provision provides parity between special trial judges of the Tax Court and other federal judges. Eligible special trial judges are permitted to elect to receive retired pay 180 days after enactment of this Act, including special trial judges who retire on or after the date of enactment and before the date that is 180 days afterwards.			