

Defined Contribution Plan Key Priorities



Please note: These provisions may be prioritized differently based on your individual business needs.

KEY PRIORITIES – APPLICABLE IN 2023	Bill Provision Section
Increase in age for required beginning date	107
Reduction in excise tax for missed RMD	302
Modification of credit for small employer pension plan startup costs	102
Small employer pension plan startup credit for employers that join an existing plan	111
Availability of 403(b) MEPs/PEPs	106
Named fiduciaries for collecting contributions in PEPs	105
Annual audit clarification for group of plans	345
Eliminating unnecessary notices for unenrolled participants	320
Penalty exception for distributions to individuals with a terminal illness	326
Repayment of qualified birth or adoption distributions	311
Treatment of employer plan contributions as Roth contributions	604
Small immediate financial incentives for contributing to a plan	113
Retroactive first year elective deferrals for new plans for sole proprietors	317
Employer reliance on employee certification for deemed hardship distributions	312

“Applicable in 2023” includes those provisions with effective dates stated as plan years beginning after date of enactment or after December 31, 2022; taxable years beginning after date of enactment or after December 31, 2022; or on or after the date of enactment; and any retroactive effective dates.

KEY PRIORITIES – APPLICABLE IN 2024	Bill Provision Section
Designated Roth account assets exempt from RMDs	325
Cashout dollar limit increase from \$5,000 to \$7,000	304
Certain catch-up contributions must be treated as Roth contributions	603
Additional nonelective contributions to SIMPLE plans	116
Increase in deferral and catch-up contribution limit for SIMPLE plans	117
Surviving spouse may elect to be treated as deceased participant for RMD purposes	327
Enhancement of 403(b) hardship distribution rules	602
SIMPLE retirement accounts may be replaced with safe harbor 401(k) plans midyear	332
Retroactive amendments to increase benefit accruals	316
Starter 401(k) and safe harbor 403(b) plans for employers with no retirement plan	121
Student loan payments treated as elective deferrals for purposes of matching contributions	110
Emergency savings withdrawals from plans	115
Emergency savings in pension linked emergency savings accounts	127
Penalty free withdrawals for individuals in case of domestic abuse	314
Automatic portability transactions	120

“Applicable in 2024” includes those provisions with effective dates stated as plan years beginning after December 31, 2023, or taxable years beginning after December 31, 2023.

KEY PRIORITIES – APPLICABLE IN 2025 AND LATER	Bill Provision Section
Expanding automatic enrollment in retirement plans*	101
Saver’s match contributions	103
Improving coverage for part-time workers	125
Requirement to provide paper statements	338
Higher catch-up contribution limit to apply at ages 60 through 63	109
Plan amendments for SECURE 2.0	501
Distributions for purchase of long-term care contracts	334

* Auto enrollment/increase feature isn’t required in plans until 2025 but all plans established on or after December 29, 2022, will need to add auto enrollment/increase features.

“Applicable in 2025 and later” includes those provisions with effective dates stated as “plan years beginning after December 31, 2024, or taxable years beginning after December 31, 2025.

For a more complete list of SECURE 2.0 provisions, please review the [Congressional Summary](#), released by the Senate Finance Committee on December 19, 2022.