



# SECURE 2.0

## Key Milestones

### NOW

- Plan administrators may rely on employee's certification of hardship need & amount.
- Limits recontribution of Qualified Birth Adoption Distribution to 3-year period beginning the day after the distribution.
- Plan sponsors able to provide de minimus incentives to encourage participation.
- Optional treatment of employer contributions as Roth contributions.
- Required minimum distribution (RMD) age changed to 73.
- Significant tax credits available for Start Up Retirement Plans.
- 403(b) PEPs & MEPs allowed.

### 2024

- Plan sponsor may elect to allow employer matching of student loan payment.
- No RMD for Roth 401(k) & 403(b).
- Simple IRAs may be replaced with safe harbor 401(k) plans mid year.
- Rollovers from Simple IRA to 401(k) or 403(b) not subject to 2-year penalty tax.
- Force out limit increasing from \$5,000 to \$7,000.
- Long Term Part Time Employee rules begin.
- Retroactive amendments to increase benefits permitted.

### 2025

- New 401(k) & 403(b) Plans required to have auto-enrollment of at least 3% and increase of 1% per year to at least 10%, but no more than 15%.
- Employees must have 90 days to unenroll and take distribution of auto deferrals.
- LTP employee with 500 hours for 2 consecutive years must be eligible to defer.
- Catch up contribution increases for ages 60-63 to the greater of \$10,000 or 150% of catch up limit.
- Department of Labor (DOL) to establish Retirement Savings Lost & Found for unclaimed vested benefits of missing, lost and non-responsive participants.

### 2026

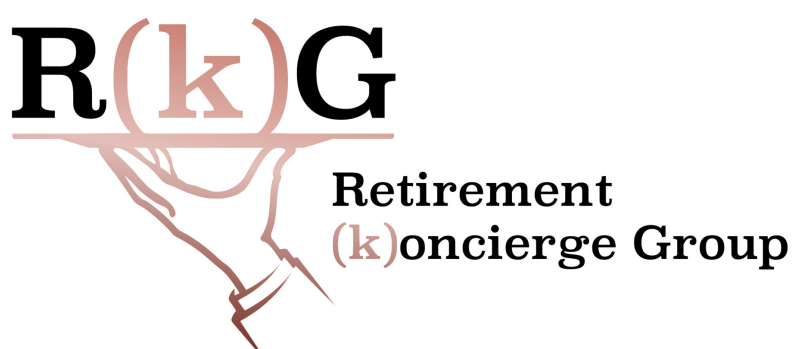
- Age 50+ catch-up contributions must be designated Roth contributions for participants with wages of \$145,000 (indexed) or more in the prior year.
- Requires at least one quarterly benefit statement to be delivered on paper unless the participant opts out of the paper requirement. The paper disclosure requirement is once every 3 years for defined benefit plans.

### 2027

- Enhancement of Saver's Credit; Creation of Saver's Match; Saver's credit will be 50% up to \$2,000 of IRA or retirement plan contribution. Credit must post to retirement vehicle unless credit is <\$100.

THE SETTING EVERY COMMUNITY UP FOR RETIREMENT ENHANCEMENT (SECURE) 2.0 ACT WAS SIGNED INTO LAW DECEMBER 29, 2022, BRINGING MANY ENHANCEMENTS TO QUALIFIED RETIREMENT PLANS. THE NEW PROVISIONS ALLOW EMPLOYERS AND THE RETIREMENT PLAN INDUSTRY ALONG WITH THE GOVERNMENT TO HELP AMERICANS SAVE MORE FOR RETIREMENT.

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