

AT-A-GLANCE:

SECURE 2.0 ACT: A PROVISIONS TIMELINE

Here is an section-by-section guide of when the Secure 2.0 Act's *most notable* retirement plan provisions will be in effect:

SECTIONS BEGINNING JANUARY 1, 2023

102 – Modification of startup credit for small employers.	118 – Tax treatment of certain non-trade or business SEP contributions.	303 – Retirement savings lost and found.	317 – Retroactive first year elective deferrals for sole proprietors.	329 – Modification of eligible age for exemption from early withdrawal penalty.
105 – Pooled employer plan modification.	128 – Enhancement of 403(b) plans.	305 – Expansion of Employee Plans Compliance Resolution System.	320 – Eliminating unnecessary plan requirements related to unenrolled participants.	330 – Exemption from early withdrawal penalty for certain state and local government corrections employees.
106 – Multiple employer 403(b) plans.	201 – Remove required minimum distribution barriers of life annuities.	306 – Eliminate the “first day of the month” requirement for governmental section 457(b) plans.	321 – Review of pension risk transfer interpretive bulletin.	331 – Special rules for use of retirement funds in connection with qualified federally declared disasters.
107 – Increase in age for required beginning date for mandatory distributions.	202 – Qualifying longevity annuity contracts.	308 – Distributions to firefighters.	322 – Tax treatment of IRA involved in a prohibited transaction.	335 – Corrections of mortality tables.
111 – Small employer startup credit for joining existing plan (retroactively taxable after 1/1/20)	204 – Eliminating a penalty on partial annuitization.	311 – Repayment of qualified birth or adoption distributions limited to 3 years.	323 – Clarification of substantially equal periodic payment rule.	345 – Annual audits for group of plans.
112 – Military spouse retirement plan eligibility credit for small employers.	301 – Recovery of retirement plan overpayments.	312 – Employer may rely on employee certifying that deemed hardship distribution conditions are met.	326 – Exception to penalty on early distributions from qualified plans for individuals with a terminal illness.	604 – Optional treatment of employer matching or nonelective contributions as Roth contributions.
113 – Small financial incentives for employees contributing to a plan.	302 – Reduction in excise tax on certain accumulations in qualified retirement plans.	316 – Amendments to increase benefit accruals under plan for previous plan year allowed until employer tax return due date.	328 – Repeal of direct payment requirement on exclusion from gross income of distributions from governmental plans for health / long-term care insurance.	606 – Enhancing retiree health benefits in pension plans.

SECTIONS BEGINNING JANUARY 1, 2024

108 – Indexing IRA catch-up limit.	117 – Contribution limit for SIMPLE plans.	304 – Updating dollar limit for mandatory distributions.	325 – Roth plan distribution rules.	343 – Defined benefit annual funding notices.
110 – Treatment of student loan payments as elective deferrals for matching contributions.	120 – Exemption for certain automatic portability transactions.	310 – Application of top-heavy rules to defined contribution plans covering excludable employees.	327 – Surviving spouse election to be treated as employee.	350 – Safe harbor for corrections of employee elective deferral failures.
115 – Withdrawals for certain emergency expenses.	121 – Starter 401(k) plans for employers with no retirement plan.	314 – Penalty-free withdrawal from retirement plans for individual case of domestic abuse.	332 – Employers allowed to replace SIMPLE retirement accounts with safe harbor 401(k) plans during a year.	602 – Hardship withdrawal rules for 403(b) plans.
116 – Allows additional nonelective contributions to SIMPLE plans.	127 – Emergency savings accounts linked to individual account plans.	316 – Amendments to increase benefit accruals under plan for previous plan year allowed until employer tax return due date.	342 – Information needed for financial options risk mitigation act.	603 – Elective deferrals generally limited to regular contribution limit.

SECTIONS BEGINNING JANUARY 1, 2025

101 – Mandating automatic enrollment for new plans.	109 – Higher catch-up limit to apply at age 60, 61, 62, and 63.	125 – Improving coverage for part-time workers.
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SECTIONS BEGINNING JANUARY 1, 2026

334 – Long-term care contracts purchased with retirement plan distributions.	338 – Requirement to provide paper statements in certain cases.	331 – Special rules for use of retirement funds in connection with qualified federally declared disasters.
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SECTIONS BEGINNING JANUARY 1, 2027

103 – Saver's Match.	104 – Promotion of Saver's Match.
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SECTIONS BEGINNING JANUARY 1, 2028

114 – Deferral of tax for certain sales of employer stock to employee stock ownership plan sponsored by S corporation.	123 – Certain securities treated as publicly traded in case of employee stock ownership plans.
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The chart above is a broad overview meant as a starting point for discussion. Many of these sections have subtle nuances and exceptions. For specific questions on what they may mean for you or your organization, please reach out to us. Our experts will be glad to help.