

- Committee on Ways and Means -  
ESTIMATED REVENUE EFFECTS OF H.R. \_\_\_\_,  
THE "SECURING A STRONG RETIREMENT ACT OF 2021,"  
SCHEDULED FOR MARKUP BY THE COMMITTEE ON WAYS AND MEANS ON MAY 5, 2021

Fiscal Years 2021 - 2031

[Millions of Dollars]

Provision	Effective	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-26	2021-31
<b>I. Expanding Coverage and Increasing Retirement Savings</b>														
1. Expanding automatic enrollment in retirement plans [1].....	pyba 12/31/22	---	---	-426	-633	-637	-696	-720	-727	-734	-743	-752	-2,393	-6,070
2. Modification of credit for small employer pension plan startup costs.....	tyba 12/31/21	---	-39	-133	-239	-321	-367	-386	-394	-398	-402	-405	-1,099	-3,084
3. Promotion of Saver's credit.....	DOE	---	---	-7	-15	-23	-32	-42	-53	-65	-78	-93	-77	-409
4. Enhancement of 403(b) plans.....	aia 12/31/21	----- Negligible Revenue Effect -----												
5. Increase in age for required beginning date for mandatory distributions.....	[2]	---	-380	-383	-364	-339	-376	-373	-378	-1,427	-1,504	-1,345	-1,842	-6,869
6. Indexing IRA catch-up limit.....	tyba 12/31/22	---	---	---	---	---	-17	-20	-19	-18	-40	-38	-17	-153
7. Higher catch-up limit to apply at age 62, 63 and 64.....	tyba 12/31/22	---	-116	-163	-173	-185	-212	-232	-246	-260	-275	-291	-849	-2,153
8. Multiple employer 403(b) plans [3].....	pyba 12/31/21	---	-3	-7	-9	-12	-17	-21	-26	-30	-34	-40	-48	-199
9. Treatment of student loan payments as elective deferrals for purposes of matching contributions [4].....	cmf pyba 12/31/21	---	-63	-100	-139	-184	-222	-239	-253	-269	-281	-292	-708	-2,042
10. Application of credit for small employer pension plan startup costs to employers which join an existing plan.....	[5]	[6]	-4	-10	-16	-20	-23	-25	-27	-29	-31	-34	-74	-221
11. Military spouse retirement plan eligibility credit for small employers. [7].....	tyba DOE	---	-14	-18	-19	-19	-21	-22	-23	-24	-25	-26	-91	-211
12. Small immediate financial incentives for contributing to a plan.....	pyba DOE	----- Negligible Revenue Effect -----												
13. Safe harbor for corrections of employee elective deferral failures.....	[8]	30	51	53	56	58	60	62	64	66	68	71	308	639
14. One-year reduction in period of service requirement for long-term, part-time workers [9].....	[10]	-8	-12	-14	-16	-19	-24	-29	-31	-34	-38	-42	-94	-268
15. Findings relating to S corporation ESOPs.....	---	----- Negligible Revenue Effect -----												
<b>Total of Expanding Coverage and Increasing Retirement Savings.....</b>		<b>22</b>	<b>-581</b>	<b>-1,209</b>	<b>-1,567</b>	<b>-1,701</b>	<b>-1,948</b>	<b>-2,048</b>	<b>-2,114</b>	<b>-3,223</b>	<b>-3,383</b>	<b>-3,286</b>	<b>-6,984</b>	<b>-21,040</b>
<b>II. Preservation of Income</b>														
1. Remove required minimum distribution barriers for life annuities.....	DOE	---	-64	-122	-158	-175	-190	-160	-101	147	458	808	-708	445
2. Qualifying longevity annuity contracts .....	[11]	-6	-4	-4	-4	-5	-6	-6	-6	-6	-7	-7	-29	-61
3. Insurance-dedicated exchange-traded funds.....	[12]	---	---	---	---	---	---	---	-68	-171	-263	-364	---	-866
<b>Total of Preservation of Income.....</b>		<b>-6</b>	<b>-68</b>	<b>-126</b>	<b>-162</b>	<b>-180</b>	<b>-196</b>	<b>-166</b>	<b>-175</b>	<b>-30</b>	<b>188</b>	<b>437</b>	<b>-737</b>	<b>-482</b>

Provision	Effective	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-26	2021-31
<b>III. Simplification and Clarification of Retirement Plan Rules</b>														
1. Recovery of retirement plan overpayments.....	DOE	70	220	80	20	-20	10	-20	-70	-90	-100	-100	380	---
2. Reduction in excise tax on certain accumulations in qualified retirement plans.....	tyba 12/31/21	---	-7	-9	-9	-9	-9	-10	-10	-10	-10	-10	-43	-93
3. Performance benchmarks for asset allocation funds.....	DOE	----- Negligible Revenue Effect -----												
4. Review and report to the Congress relating to reporting and disclosure requirements.....	DOE	----- Negligible Revenue Effect -----												
5. Eliminating unnecessary plan requirements related to unenrolled participants.....	pyba 12/31/21	----- Negligible Revenue Effect -----												
6. Retirement savings lost and found.....	various	---	---	---	-35	-49	-50	-52	-53	-55	-57	-59	-134	-410
7. Expansion of Employee Plans Compliance Resolution System.....	DOE	-2	-3	-4	-4	-4	-4	-4	-4	-4	-4	-4	-20	-40
8. Eliminate the “first day of the month” requirement for governmental section 457(b) plans.....	tyba DOE	----- Negligible Revenue Effect -----												
9. One-time election for qualified charitable distribution to split-interest entity; increase in qualified charitable distribution limitation.....	dmi tyea DOE	-3	-964	-445	-94	-61	-80	-94	-108	-123	-138	-156	-1,648	-2,266
10. Distributions to firefighters.....	dma 12/31/21	---	[13]	[13]	[13]	[13]	[6]	[6]	[6]	-1	-1	-1	[6]	-2
11. Exclusion of certain disability-related first responder retirement payments.....	arwrt tyba 12/31/26	---	---	---	---	---	---	-319	-512	-545	-579	-615	---	-2,570
12. Individual retirement plan statute of limitations for excise tax on excess contributions and certain accumulations.....	DOE	-2	-3	-3	-3	-2	-2	-2	-2	-2	-2	-2	-15	-25
13. Requirement to provide paper statements in certain cases.....	pyba 12/31/22	----- Negligible Revenue Effect -----												
14. Separate application of top heavy rules to defined contribution plans covering excludible employees.....	pyba DOE	4	29	31	33	35	37	40	43	45	49	52	170	398
15. Repayment of qualified birth or adoption distribution limited to 3 years.....	[14]	----- Negligible Revenue Effect -----												
16. Self-certification for deemed hardship contributions	pyba 12/31/21	6	34	39	42	46	52	51	46	39	31	21	219	407
17. Penalty-free withdrawals from retirement plan in case of domestic abuse.....	dma DOE	-4	-4	-4	-4	-4	-4	-4	-4	-4	-4	-4	-25	-47
18. Reform of family attribution rule [15].....	pybo/a DOE	---	-16	-33	-50	-68	-94	-117	-137	-157	-175	-194	-261	-1,042
19. Amendments to increase benefit accruals for previous plan year allowed until employer tax return due date.....	pyba 12/31/22	----- Negligible Revenue Effect -----												
20. Retroactive first year elective deferrals for sole proprietors.....	pyba DOE	----- Negligible Revenue Effect -----												
21. Limiting cessation of IRA treatment to portion of account involved in a prohibited transaction.....	tyba DOE	-2	-3	-3	-3	-3	-3	-4	-4	-4	-4	-4	-16	-37
<b>Total of Simplification and Clarification of Retirement Plan Rules.....</b>		<b>67</b>	<b>-716</b>	<b>-352</b>	<b>-107</b>	<b>-139</b>	<b>-146</b>	<b>-535</b>	<b>-816</b>	<b>-910</b>	<b>-995</b>	<b>-1,076</b>	<b>-1,393</b>	<b>-5,727</b>
<b>IV. Technical Amendments.....</b>	[16]	----- Negligible Revenue Effect -----												

Provision	Effective	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-26	2021-31
<b>V. Administrative Provisions - Provisions Relating to Plan Amendments.....</b>														
	DOE	----- Negligible Revenue Effect -----												
<b>VI. Revenue Offsets</b>														
1. SIMPLE and SEP Roth IRAs.....	tyba 12/31/21	1	17	28	40	53	68	75	87	100	118	124	207	711
2. Hardship withdrawal rules for 403(b) plans.....	pyba 12/31/21	8	19	31	45	59	67	71	73	74	76	79	230	602
3. Elective deferrals generally limited to regular contribution limit.....	tyba 12/31/21	---	2,892	3,694	3,540	3,060	2,493	1,737	572	-616	-1,603	-2,542	15,678	13,225
4. Optional treatment of employer matching contributions as Roth contributions.....	cma DOE	240	1,252	1,504	1,739	1,480	1,953	1,516	1,256	1,034	659	234	8,168	12,868
<b>Total of Revenue Offsets.....</b>		<b>249</b>	<b>4,180</b>	<b>5,258</b>	<b>5,364</b>	<b>4,652</b>	<b>4,581</b>	<b>3,399</b>	<b>1,988</b>	<b>592</b>	<b>-750</b>	<b>-2,105</b>	<b>24,284</b>	<b>27,407</b>
<b>NET TOTAL .....</b>		<b>333</b>	<b>2,815</b>	<b>3,571</b>	<b>3,529</b>	<b>2,632</b>	<b>2,292</b>	<b>650</b>	<b>-1,117</b>	<b>-3,571</b>	<b>-4,940</b>	<b>-6,031</b>	<b>15,171</b>	<b>158</b>

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. The date of enactment is assumed to be July 1, 2021. Revenue provisions as stated in statutory language NEAL\_019, May 2, 2021.

Legend for "Effective" column:

- aia = amounts invested after
- arwrt = amounts received with respect to
- cma = contributions made after
- cmf = contributions made for
- dma = distributions made after
- dmi = distributions made in
- DOE = date of enactment
- pyba = plan years beginning after
- pybo/a = plan years beginning on or after
- tyba = taxable years beginning after
- tyea = taxable years ending after

[1] Estimate includes the following budget effects:	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2021-26</u>	<u>2021-31</u>
Total Revenue Effect.....	---	---	-426	-633	-637	-696	-720	-727	-734	-743	-752	-2,393	-6,070
On-budget effects.....	---	---	-385	-579	-584	-644	-669	-677	-685	-694	-704	-2,192	-5,621
Off-budget effects.....	---	---	-41	-54	-53	-52	-51	-51	-50	-49	-48	-201	-449
[2] Effective for distributions required to be made after 12/31/21, with respect to individuals who attain age 72 after such date. Increase in RMD age to 73 beginning on January 1, 2022. Further increase in RMD age to 74 on January 1, 2029 and increase in RMD to age 75 on January 1, 2032.													
[3] Estimate includes the following budget effects:	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2021-26</u>	<u>2021-31</u>
Total Revenue Effect.....	---	-3	-7	-9	-12	-17	-21	-26	-30	-34	-40	-48	-199
On-budget effects.....	---	-3	-6	-8	-11	-15	-19	-23	-27	-31	-36	-43	-179
Off-budget effects.....	---	---	-1	-1	-1	-2	-2	-3	-3	-3	-4	-5	-20
[4] Estimate includes the following budget effects:	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2021-26</u>	<u>2021-31</u>
Total Revenue Effect.....	---	-63	-100	-139	-184	-222	-239	-253	-269	-281	-292	-708	-2,042
On-budget effects.....	---	-49	-78	-109	-144	-177	-192	-203	-216	-226	-235	-557	-1,629
Off-budget effects.....	---	-14	-22	-30	-40	-45	-47	-50	-53	-55	-57	-151	-413
[5] Effective for eligible employer plans which become effective with respect to the eligible employer after the date of the enactment of this Act.													
[6] Loss of less than \$500,000.													

**Footnotes for JCX-22-21 continued:**

[7] Estimate includes the following budget effects:	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2021-26</u>	<u>2021-31</u>
Total Revenue Effect.....	---	-14	-18	-19	-19	-21	-22	-23	-24	-25	-26	-91	-211
On-budget effects.....	---	-13	-17	-18	-18	-20	-21	-22	-23	-24	-25	-86	-201
Off-budget effects.....	---	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-5	-10
[8] Effective with respect to any errors with respect to which the date referred to in section 414(aa) (as added by this provision) is after the date of enactment of this Act.													
[9] Estimate includes the following budget effects:	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2021-26</u>	<u>2021-31</u>
Total Revenue Effect.....	-8	-12	-14	-16	-19	-24	-29	-31	-34	-38	-42	-94	-269
On-budget effects.....	-7	-11	-13	-15	-17	-22	-26	-28	-31	-34	-37	-85	-244
Off-budget effects.....	-1	-1	-1	-1	-2	-2	-3	-3	-3	-4	-4	-8	26
[10] Effective as if included in the addition of section 401(k)(2)(D)(ii) by section 112 of the Setting Every Community Up for Retirement Enhancement Act of 2019, Division O of Pub. L. 116-94.													
[11] For paragraph (1) of subsection (a) of section 202 of this Act, effective on or after the date of enactment. For paragraphs (2) and (3) of subsection (a) of section 202 of this Act, effective with respect to contracts purchased or received in an exchange on or after July 2, 2014.													
[12] For subsection (a) of section 203 of the Act, effective on the date of enactment. For subsections (b) and (c), effective with respect to segregated asset account investments made on or after the date that is seven years after the date of enactment.													
[13] Gain of less than \$500,000.													
[14] Effective as if included in the enactment of section 113 of the Setting Every Community Up for Retirement Enhancement Act of 2019, Division O of Pub. L. 116-94.													
[15] Estimate includes the following budget effects:	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2021-26</u>	<u>2021-31</u>
Total Revenue Effect.....	---	-16	-33	-50	-68	-94	-117	-137	-157	-175	-194	-261	-1,042
On-budget effects.....	---	-14	-28	-42	-58	-81	-101	-118	-134	-149	-163	-223	-887
Off-budget effects.....	---	-2	-5	-7	-10	-13	-16	-20	-23	-27	-31	-38	-154
[16] Effective as if included in the applicable section of the Setting Every Community Up for Retirement Enhancement Act of 2019, Division O of Pub. L. 116-94, to which it relates.													