



TaxNewsFlash

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Notice 2024-2: Guidance on certain provisions of Secure Act 2.0

The IRS today released [Notice 2024-2](#) [PDF 330 KB] (81 pages) providing guidance on certain provisions of the SECURE Act 2.0 (signed into law on December 29, 2022, as part of the “Consolidated Appropriations Act of 2023” (H.R. 2617)).

Specifically, the notice provides guidance in a question and answer (Q&A) format with respect to issues under the following sections of the SECURE 2.0 Act:

- 101 (expanding automatic enrollment in retirement plans)
- 102 (modification of credit for small employer pension plan startup costs)
- 112 (military spouse retirement plan eligibility credit for small employers)
- 113 (small immediate financial incentives for contributing to a plan)
- 117 (contribution limit for SIMPLE plans)
- 326 (exception to the additional tax on early distributions from qualified plans for individuals with a terminal illness)
- 332 (employers allowed to replace SIMPLE retirement accounts with safe harbor 401(k) plans during a year)
- 348 (cash balance)
- 350 (safe harbor for correction of employee elective deferral failures)
- 501 (provisions relating to plan amendments)
- 601 (SIMPLE and SEP Roth IRAs)
- 604 (optional treatment of employer contributions or nonelective contributions as Roth contributions)

This notice is not intended to provide comprehensive guidance as to the specific provisions of the SECURE 2.0 Act, but rather is intended to provide guidance on discrete issues to assist in commencing implementation of those provisions. The Treasury Department and IRS continue to analyze the various provisions of the SECURE 2.0 Act and anticipate issuing further guidance, including regulations, as appropriate.

The Treasury Department and the IRS invite comments on the guidance in the notice by February 20, 2024, and in particular on the following sections of the Secure 2.0 Act:

- 113 with respect to a de minimis financial incentive that is provided by a party other than the employer
- 348 with respect to whether there are situations under which a plan with a statutory hybrid benefit formula within the meaning of Treas. Reg. § 1.411(a)(13)-1(d)(4) that is not described in Q&A H-2 of 80 the notice would be amended pursuant to section 348, as described in section II.H of the notice

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