

# SECURE Act

January 2020

One of the most significant pieces of retirement legislation in recent history, the SECURE Act, draws from a wide-array of bipartisan bills and seeks to make it easier for businesses to offer retirement plans, and for individuals to save for retirement.

The Legislation was incorporated into Division O of the Further Consolidated Appropriations Act, 2020, approved by the House and Senate, and signed into law by the president on December 20th, 2019.

## The Legislation includes:

- The ability for unrelated employers to join a pooled employer plan
- Significantly increases the small employer pension plan startup tax credit up to \$5,000
- Gives business owners more flexibility to help guide their decision-making
- Simplifies the 401(k) safe harbor rules
- Expands portability of lifetime income options
- Allows long-term, part-time workers to participate in 401(k) plans
- Allows plans adopting by the filing due date to be treated as in effect as of the close of the year
- Provides a fiduciary safe harbor for selection of a lifetime income provider
- Modifies the treatment of custodial accounts on termination of 403(b) plans
- Extends the current required minimum distribution requirements to age 72
- Requires disclosures regarding lifetime income
- Modifies the nondiscrimination rules to protect longer-service participants

The Ipswich Bay Advisors Team will provide more SECURE Act detail and additional information as it becomes available.

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