

Spencer Fane®

Retirement Plan Amendments – Are You Sure You Know Your Deadline?

Under IRS Notice 2024-2, the IRS granted most plan sponsors a very welcome extension of time – until the end of 2026 or beyond – to amend their retirement plans to reflect the applicable benefits-related provisions of the CARES Act, Miners Act, Relief Act, SECURE Act, and SECURE 2.0. This plan amendment extension, however, does not apply to Code Section 457(b) plans maintained by tax-exempt organizations. Therefore, plan sponsors of tax-exempt 457(b) plans generally must amend their plans by December 31, 2025.

Amendment Deadlines Depend on Plan Type

The deadline by which a plan sponsor must amend its retirement plans depends on the plan type. Here's a list of the current amendment deadlines by plan type:

| Plan Type | Amendment Deadline |
|---------------------------------------|---------------------|
| Qualified plans that are neither (i) | |
| governmental plans, nor (ii) Taft- | December 31, 2026 |
| Hartley plans | |
| Qualified plans that are Taft-Hartley | December 31, 2028 |
| plans | |
| Qualified plans that are | December 31, 2029 |
| governmental plans | Decerriber of, 2020 |
| 403(b) plans that are not maintained | December 31, 2026 |
| by a public school | 2000111001 01, 2020 |

403(b) plans that are Taft-Hartley plans of 501(c)(3) tax-exempt December 31, 2028 organizations 403(b) plans that are maintained by December 31, 2029 a public school 457(b) plans that are maintained by December 31, 2025 tax-exempt organizations (for calendar year plans) December 31, 2029 457(b) plans that are governmental (unless notified by the IRS of a failure to plans meet the requirements of Code Section 457(b))

Amendment Deadline for Tax-Exempt 457(b) Plans

As noted above, plan sponsors of tax-exempt 457(b) plans must amend those plans for SECURE 2.0 by the end of this year (for calendar year plans). Amendments will be required to reflect the increased age for required minimum distributions, as well as any optional provisions under SECURE 2.0 that plan sponsors may have implemented.

If you need assistance in determining whether your plan must be amended, or in amending your plan by year end or later, please reach out to your attorney.

This blog post was drafted by <u>Beth Miller</u> and <u>Eric Miller</u>, attorneys in the Overland Park, Kansas, office of Spencer Fane. For more information, visit <u>spencerfane.com</u>.

Click <u>here</u> to subscribe to Spencer Fane communications to ensure you receive timely updates like this directly in your inbox.