

## News

# Catch-Up Contributions Get Anticipated Proposed Regulations

**ATTORNEYS & PROFESSIONALS****Elizabeth Thomas Dold**[edold@groom.com](mailto:edold@groom.com)

202-861-5406

**David Levine**[dlevine@groom.com](mailto:dlevine@groom.com)

202-861-5436

**PUBLISHED**

03/14/2025

**SOURCE**

TAXES - The Tax Magazine

**SERVICES**[Employers & Sponsors](#)

- [Fiduciary & Plan Governance](#)
- [Retirement Programs](#)

Setting Every Community Up for Retirement Enhancement (“SECURE”) 2.0 has brought two important changes to the much-beloved plan feature—catch-up contributions—that allows participants aged 50 years and older to save more for retirement. The Internal Revenue Service (“IRS”) recently issued proposed regulations to explain the scope and implementation of these rules. The first change mandated that certain higher-paid employees make their catchup contributions as Roth contributions—resulting in taxable income in the year of deferral. This change was effective January 1, 2024, but generous transition relief (via Notice 2023-62) allowed plan sponsors to defer implementation of this rule until January 1, 2026. The second change was to permit participants aged 60–63 years to defer even more (50% more) as catch-up contributions, effective January 1, 2025. A number of operational issues raised with these rules (and other Savings Incentive Match Plan for Employees (“SIMPLE”) plan catch-up changes) are described in the 2025 proposed regulations, which are to be effective the first plan year that begins at least six months after issuance of the final regulations.

In this *TAXES – The Tax Magazine* article, “Catch-Up Contributions Get Anticipated Proposed Regulations,” Groom principals [Elizabeth Thomas Dold](#) and [David Levine](#) cover the proposed regulations for catch-up contributions and the potential impacts to plan sponsors.

To read the article, [click here](#).