

Publications

Qualified Plan Changes Within the Bipartisan Budget Act

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It is not often that you think of qualified plan changes when you think about the federal budget, but you need to, because the Bipartisan Budget Act of 2018 (the Act) contains a number of important qualified plan changes that will require the attention of plan sponsors and recordkeepers alike in short order. These changes include the following:

- *Hardship withdrawals.* The Act expands hardship withdrawal rules for 401(k) and 403(b) plans that offer in-service hardship withdrawals, effective for the 2019 plan year.
- *California wildfire relief.* The Act provides similar relief that Congress has provided in the past for certain hurricane victims. This guidance, which applies to victims of the 2017 California wildfires, tracks the relief provided to victims of Hurricanes Harvey, Irma, and Maria, and is effective immediately (February 9, 2018).
- *Federal tax levies.* The Act permits improper federal tax levies to be rolled back to the qualified plan or to an individual retirement account (IRA), effective immediately (January 1, 2018).
- *Congressional committee for multiemployer plans.* The Act establishes a Congressional bipartisan committee to address the funding dilemma affecting multiemployer plans and the Pension Benefit Guaranty Corporation (PBGC).

In the article linked below, we provide additional details on these changes..

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