

115TH CONGRESS
1ST SESSION

H. R. 3653

To provide for MyRA accounts, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 15, 2017

Mr. CROWLEY (for himself and Mr. ELLISON) introduced the following bill;
which was referred to the Committee on Ways and Means

A BILL

To provide for MyRA accounts, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Making Your Retire-
5 ment Accessible Act” or the “MyRA Act”.

6 **SEC. 2. MYRA ACCOUNTS.**

7 (a) IN GENERAL.—Section 408A of the Internal Rev-
8 enue Code of 1986 is amended by adding at the end the
9 following:

10 “(g) MYRA ACCOUNTS.—

11 “(1) SPECIAL RULE FOR CONTRIBUTIONS FROM
12 TAX REFUNDS.—A taxpayer may elect to contribute

1 any portion of an overpayment of income tax for a
2 taxable year to a MyRA account. The amount elect-
3 ed under the preceding sentence—

4 “(A) shall not exceed the amount allowed
5 as a credit under section 25B for the taxable
6 year, and

7 “(B) shall not be treated as qualified re-
8 tirement contributions for purposes of section
9 219.

10 “(2) DIRECT DEPOSIT.—The Secretary shall
11 provide for direct deposit of refunds from overpay-
12 ments of income tax by a taxpayer to the MyRA ac-
13 count of a participant.

14 “(3) MYRA ACCOUNT DEFINED.—For purposes
15 of this subsection, the term ‘MyRA account’ means
16 a Roth IRA which meets the requirements of section
17 3106(d) of title 31, United States Code.”.

18 (b) MYRA PROGRAM.—Section 3106 of title 31,
19 United States Code, is amended by adding at the end the
20 following new subsection:

21 “(d)(1) The Secretary shall, in accordance with this
22 subsection, establish and carry out a program of individual
23 savings accounts to be known as ‘MyRA accounts’ under
24 which the Secretary shall, upon receipt of contributions

1 in cash by or on behalf of a participant, issue retirement
2 savings bonds to the MyRA account of the participant.

3 “(2) In carrying out the program under paragraph
4 (1), the Secretary shall—

5 “(A) administer a MyRA account for each par-
6 ticipant and credit bonds issued to the participant to
7 the MyRA account of the participant,

8 “(B) serve as custodian of assets in the pro-
9 gram,

10 “(C) issue retirement savings bonds described
11 in paragraph (4), and

12 “(D) issue to each participant an annual state-
13 ment relating to the participant’s MyRA account.

14 “(3) For purposes of this subsection, the term ‘MyRA
15 account’ means a Roth IRA (as defined in section 408A
16 of the Internal Revenue Code of 1986) established by the
17 Secretary on behalf of a participant.

18 “(4) A retirement savings bond issued under this sub-
19 section shall—

20 “(A) earn interest at the same annual percent-
21 age rate as securities issued to the Government Se-
22 curities Investment Fund in the Thrift Savings Plan
23 for Federal employees, as determined under section
24 8438(e)(2) of title 5, United States Code,

1 “(B) shall be compounded daily at $\frac{1}{360}$ of the
2 annual percentage rate,

3 “(C) shall have a maturity date that is indeter-
4 minate and may differ for each bond issued, but
5 that does not exceed the earlier of 30 years from the
6 date the bond is first issued on behalf of the partici-
7 pant or when the total value of all such bonds held
8 on behalf of the participant in the MyRA account
9 reaches \$15,000,

10 “(D) shall cease to bear interest on the date of
11 maturity, and

12 “(E) shall be redeemed by the Secretary upon
13 maturity.

14 “(5) Upon reaching maturity the Secretary shall
15 transfer the entire amount in the MyRA account in a man-
16 ner that meets the rollover requirements of section
17 408(d)(3) to a Roth IRA (other than a MyRA account)
18 of the participant administered by a trustee who meets
19 the satisfaction requirements of the Secretary under sec-
20 tion 408(a)(2). For purposes of this paragraph, the Sec-
21 retary shall make transfers to eligible trustees on a rotat-
22 ing basis unless the participant elects otherwise.

23 “(6) The Secretary shall accept contributions from
24 employers on behalf of employees by direct deposit.

1 “(7) The Secretary shall accept contributions from
2 participants by direct deposit.

3 “(8) Participant information under the program
4 under this subsection shall be exempt from disclosure to
5 the public.

6 “(9) The Secretary shall issue a quarterly report to
7 Congress—

8 “(A) listing the number of accounts created in
9 that quarter, the total number of accounts in exist-
10 ence, the overall value of assets in the accounts, and
11 the number of taxpayers per zip code (of the tax-
12 payer) who have created accounts; and

13 “(B) the names of employers who paid fines for
14 failure of the employer to notify their employees of
15 these accounts.

16 “(10) The Secretary shall issue such regulations or
17 other guidance as may be necessary or appropriate to
18 carry out this subsection.”.

19 (c) EMPLOYER REQUIREMENTS.—

20 (1) Chapter 43 of the Internal Revenue Code of
21 1986 is amended by adding at the end the following:

1 **“SEC. 4980J. FAILURE OF EMPLOYER RELATING TO MYRA**
2 **ACCOUNTS.**

3 “(a) IMPOSITION OF TAX.—There is hereby imposed
4 a tax on the failure of any employer to meet the require-
5 ments of subsection (e) with respect to any employee.

6 “(b) AMOUNT OF TAX.—

7 “(1) IN GENERAL.—The amount of tax imposed
8 by subsection (a) on any failure with respect to any
9 employee shall be \$100 for each day in the non-
10 compliance period with respect to such failure.

11 “(2) NONCOMPLIANCE PERIOD.—For purposes
12 of this section, the term ‘noncompliance period’
13 means, with respect to any failure, the period begin-
14 ning on the date the failure first occurs and ending
15 on the date the notice to which the failure relates is
16 provided or the failure is otherwise corrected.

17 “(c) LIMITATIONS ON AMOUNT OF TAX.—

18 “(1) TAX NOT TO APPLY WHERE FAILURE NOT
19 DISCOVERED AND REASONABLE DILIGENCE EXER-
20 CISED.—No tax shall be imposed by subsection (a)
21 on any failure during any period for which it is es-
22 tablished to the satisfaction of the Secretary that
23 any employer subject to liability for the tax under
24 subsection (d) did not know that the failure existed
25 and exercised reasonable diligence to meet the re-
26 quirements of subsection (e).

1 “(2) TAX NOT TO APPLY TO FAILURES COR-
2 RECTED WITHIN 30 DAYS.—No tax shall be imposed
3 by subsection (a) on any failure if—

4 “(A) any employer subject to liability for
5 the tax under subsection (d) exercised reason-
6 able diligence to meet the requirements of sub-
7 section (e), and

8 “(B) such employer provides the notice de-
9 scribed in subsection (e) during the 30-day pe-
10 riod beginning on the first date such employer
11 knew, or exercising reasonable diligence would
12 have known, that such failure existed.

13 “(3) OVERALL LIMITATION FOR UNINTEN-
14 TIONAL FAILURES.—

15 “(A) IN GENERAL.—If the employer sub-
16 ject to liability for tax under subsection (d) ex-
17 ercised reasonable diligence to meet the require-
18 ments of subsection (e), the tax imposed by
19 subsection (a) for failures during the taxable
20 year of the employer shall not exceed \$500,000.

21 “(B) TAXABLE YEARS IN THE CASE OF
22 CERTAIN CONTROLLED GROUPS.—For purposes
23 of this paragraph, if all persons who are treated
24 as a single employer for purposes of this section
25 do not have the same taxable year, the taxable

1 years taken into account shall be determined
2 under principles similar to the principles of sec-
3 tion 1561.

4 “(4) WAIVER BY SECRETARY.—In the case of a
5 failure which is due to reasonable cause and not to
6 willful neglect, the Secretary may waive part or all
7 of the tax imposed by subsection (a) to the extent
8 that the payment of such tax would be excessive or
9 otherwise inequitable relative to the failure involved.

10 “(d) LIABILITY FOR TAX.—The employer shall be lia-
11 ble for the tax imposed by subsection (a).

12 “(e) EMPLOYER REQUIREMENTS RELATING TO
13 MYRA ACCOUNTS.—

14 “(1) IN GENERAL.—An employer who pays
15 wages to any employee through direct deposit shall
16 make contributions through direct deposit to the
17 MyRA account of the amount of wages designated
18 by an employee who elects to participate in the
19 MyRA program under section 3106(d) of title 31,
20 United States Code.

21 “(2) EXCEPTION.—Paragraph (1) shall not
22 apply to any employer with respect to an employee
23 if the employer offers an employer-sponsored quali-
24 fied retirement plan to the employee.

1 “(3) NOTICE REQUIREMENT.—Each employer
2 shall, in each paystub, provide a uniform notice to
3 employees on how the employees can create a MyRA
4 account.”.

5 (2) The table of sections for chapter 43 of such
6 Code is amended by adding at the end the following
7 new item:

 “Sec. 4980J. Failure of employer relating to MyRA accounts.”.

8 (d) EFFECTIVE DATE.—The amendments made by
9 this section shall take effect on the date of the enactment
10 of this Act.

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