

116TH CONGRESS
2D SESSION

H. R. 6562

To suspend the contribution limitations for certain tax-preferred retirement accounts.

IN THE HOUSE OF REPRESENTATIVES

APRIL 21, 2020

Mr. MCHENRY introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To suspend the contribution limitations for certain tax-preferred retirement accounts.

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 “Securing Additional
5 Value for Every Retirement Saver Act” or the “SAVERS
6 Act”.

7 **SEC. 2. SUSPENSION OF CONTRIBUTION LIMITATIONS FOR**
8 **TAX-PREFERRED ACCOUNTS.**

9 (a) DEFINED CONTRIBUTION PLANS.—

1 (1) AGGREGATE ANNUAL ADDITIONS.—The an-
2 nual addition limitation under section 415(c)(1) of
3 the Internal Revenue Code of 1986 (and any con-
4 tribution limitation made applicable by reference to
5 subparagraph (A) thereof) for calendar year 2020,
6 or any taxable years beginning during 2020, as the
7 case may be, shall be an amount equal to the lesser
8 of—

9 (A) 300 percent of the amount otherwise
10 in effect under such subparagraph for such cal-
11 endar or taxable year (determined without re-
12 gard to this paragraph), or

13 (B) an amount equal to the employee’s
14 compensation.

15 (2) ELECTIVE DEFERRALS.—The applicable
16 dollar amount for elective deferrals under section
17 402(g) of such Code for any taxable year beginning
18 during 2020, and any dollar limitation determined
19 by reference thereto, shall not be less than an
20 amount equal to the lesser of—

21 (A) 300 percent of the amount otherwise
22 in effect for the taxable year (determined with-
23 out regard to this paragraph), or

1 (B) the individual's compensation from the
2 employer to which the plan relates for any tax-
3 able year beginning on 2020.

4 (3) 457 PLANS.—The maximum amount which
5 may be deferred for a taxable year beginning in
6 2020 under an eligible deferred compensation plan
7 (as defined in subsection (b) of section 457 of such
8 Code) shall not be less than an amount equal to the
9 lesser of—

10 (A) 300 percent of the amount otherwise
11 in effect for the taxable year under subsection
12 (e)(15) thereof (determined without regard to
13 this paragraph), or

14 (B) an amount equal to the participant's
15 includible compensation (as defined in sub-
16 section (e)(5) thereof) for the taxable year.

17 (b) INDIVIDUAL RETIREMENT ACCOUNTS.—

18 (1) IN GENERAL.—For purposes of taxable
19 years beginning in 2020, the limitation in effect
20 under section 219(b)(1) of such Code (and any limi-
21 tation determined by reference to subparagraph (A)
22 thereof) shall not be less than an amount equal to
23 the lesser of—

24 (A) 300 percent of the amount otherwise
25 in effect under such subparagraph for the tax-

1 able year (determined without regard to this
2 paragraph), or

3 (B) an amount equal to the compensation
4 includible in the individual's gross income for
5 such taxable year.

6 (2) SIMPLE RETIREMENT ACCOUNTS.—In the
7 case of elective employer contributions to a simple
8 retirement account (as defined in section 408(p) of
9 such Code) for 2020, the applicable dollar amount
10 under paragraph (2)(E) thereof shall not be less
11 than an amount equal to the lesser of—

12 (A) 300 percent of the amount otherwise
13 in effect under such paragraph for the year (de-
14 termined without regard to this paragraph), or

15 (B) the employee's compensation.

16 (c) COMPENSATION.—

17 (1) IN GENERAL.—Except as otherwise defined
18 for purposes of the provision to which one of the
19 preceding subsections relates, the term “compensa-
20 tion” for purposes of this section shall have the
21 meaning given such term in section 219 of such
22 Code.

23 (2) ELECTION TO SUBSTITUTE 2019 COM-
24 PENSATION.—For purposes of determining the
25 amount of an individual's compensation under sub-

1 sections (a) and (b), in lieu of compensation for
2 2020 or taxable years beginning in 2020, individuals
3 may elect to use compensation for 2019 or taxable
4 years beginning 2019.

○