

2014-24), or any subsequent revenue ruling that supercedes or modifies such revenue ruling, without adversely affecting the tax status of the group trust, such plan, account, or organization, or any other plan or trust that invests in the group trust.

“(2) EFFECTIVE DATE.—This subsection shall apply to investments made after the date of the enactment of this Act [Dec. 18, 2015].”

APPLICABILITY OF AMENDMENTS BY SUBTITLES A AND B OF TITLE I OF PUB. L. 109-280

For special rules on applicability of amendments by subtitles A (§§ 101-108) and B (§§ 111-116) of title I of Pub. L. 109-280 to certain eligible cooperative plans, PBGC settlement plans, and eligible government contractor plans, see sections 104, 105, and 106 of Pub. L. 109-280, set out as notes under section 401 of this title.

SAMPLE LANGUAGE FOR SPOUSAL CONSENT AND QUALIFIED DOMESTIC RELATIONS FORMS

Pub. L. 104-188, title I, § 1457, Aug. 20, 1996, 110 Stat. 1818, provided that:

“(a) DEVELOPMENT OF SAMPLE LANGUAGE.—Not later than January 1, 1997, the Secretary of the Treasury shall develop—

“(1) sample language for inclusion in a form for the spousal consent required under section 417(a)(2) of the Internal Revenue Code of 1986 and section 205(c)(2) of the Employee Retirement Income Security Act of 1974 [29 U.S.C. 1055(c)(2)] which—

“(A) is written in a manner calculated to be understood by the average person, and

“(B) discloses in plain form—

“(i) whether the waiver to which the spouse consents is irrevocable, and

“(ii) whether such waiver may be revoked by a qualified domestic relations order, and

“(2) sample language for inclusion in a form for a qualified domestic relations order described in section 414(p)(1)(A) of such Code and section 206(d)(3)(B)(i) of such Act [29 U.S.C. 1056(d)(3)(B)(i)] which—

“(A) meets the requirements contained in such sections, and

“(B) the provisions of which focus attention on the need to consider the treatment of any lump sum payment, qualified joint and survivor annuity, or qualified preretirement survivor annuity.

“(b) PUBLICITY.—The Secretary of the Treasury shall include publicity for the sample language developed under subsection (a) in the pension outreach efforts undertaken by the Secretary.”

SAFEHARBOR AUTHORITY

Pub. L. 104-188, title I, § 1462(b), Aug. 20, 1996, 110 Stat. 1824, provided that: “The Secretary of the Treasury may design nondiscrimination and coverage safe harbors for church plans.”

APPLICATION OF LINE OF BUSINESS TEST FOR PERIOD BEFORE GUIDELINES ISSUED

Pub. L. 101-140, title II, § 204(b)(1), Nov. 8, 1989, 103 Stat. 833, provided that: “In the case of any plan year beginning on or before the date the Secretary of the Treasury or his delegate issues guidelines and begins issuing determinations under section 414(r)(2)(C) of the Internal Revenue Code of 1986, an employer shall be treated as operating separate lines of business if the employer reasonably determines that it meets the requirements of section 414(r) (other than paragraph (2)(C) thereof) of such Code.”

[Pub. L. 101-140, title II, § 204(d)(3), Nov. 8, 1989, 103 Stat. 833, provided that: “The provisions of subsection (b)(1) [set out above] shall apply to years beginning after December 31, 1986.”]

NONENFORCEMENT OF AMENDMENT MADE BY SECTION 1151 OF PUB. L. 99-514 FOR FISCAL YEAR 1990

No monies appropriated by Pub. L. 101-136 to be used to implement or enforce section 1151 of Pub. L. 99-514

or the amendments made by such section, see section 528 of Pub. L. 101-136, set out as a note under section 89 of this title.

STUDY REFLECTING ALLOCATION OF ASSETS

Pub. L. 100-647, title VI, § 6067(b), Nov. 10, 1988, 102 Stat. 3703, directed Secretary of the Treasury or his delegate, in consultation with Federal Deposit Insurance Corporation, to conduct a study with respect to proper method of allocating assets in case of a transaction to which the amendment made by such section and, not later than Jan. 1, 1990 (due date extended to Jan. 1, 1992, by Pub. L. 101-508, title XI, § 11831(b), Nov. 5, 1990, 104 Stat. 1388-559) to report results of such study to Committee on Ways and Means of House of Representatives and to Committee on Finance of Senate.

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1998

For provisions directing that if any amendments made by subtitle D [§§ 1401-1465] of title I of Pub. L. 104-188 require an amendment to any plan or annuity contract, such amendment shall not be required to be made before the first day of the first plan year beginning on or after Jan. 1, 1998, see section 1465 of Pub. L. 104-188, set out as a note under section 401 of this title.

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1994

For provisions directing that if any amendments made by subtitle B [§§ 521-523] of title V of Pub. L. 102-318 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1994, see section 523 of Pub. L. 102-318, set out as a note under section 401 of this title.

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101-1147 and 1171-1177] or title XVIII [§§ 1800-1899A] of Pub. L. 99-514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99-514, as amended, set out as a note under section 401 of this title.

**§ 414A. Requirements related to automatic enrollment**

**(a) In general**

Except as otherwise provided in this section—

(1) an arrangement shall not be treated as a qualified cash or deferred arrangement described in section 401(k) unless such arrangement meets the automatic enrollment requirements of subsection (b), and

(2) an annuity contract otherwise described in section 403(b) which is purchased under a salary reduction agreement shall not be treated as described in such section unless such agreement meets the automatic enrollment requirements of subsection (b).

**(b) Automatic enrollment requirements**

**(1) In general**

An arrangement or agreement meets the requirements of this subsection if such arrangement or agreement is an eligible automatic contribution arrangement (as defined in section 414(w)(3)) which meets the requirements of paragraphs (2) through (4).

**(2) Allowance of permissible withdrawals**

An eligible automatic contribution arrangement meets the requirements of this para-

graph if such arrangement allows employees to make permissible withdrawals (as defined in section 414(w)(2)).

**(3) Minimum contribution percentage**

**(A) In general**

An eligible automatic contribution arrangement meets the requirements of this paragraph if—

(i) the uniform percentage of compensation contributed by the participant under such arrangement during the first year of participation is not less than 3 percent and not more than 10 percent (unless the participant specifically elects not to have such contributions made or to have such contributions made at a different percentage), and

(ii) effective for the first day of each plan year starting after each completed year of participation under such arrangement such uniform percentage is increased by 1 percentage point (to at least 10 percent, but not more than 15 percent) unless the participant specifically elects not to have such contributions made or to have such contributions made at a different percentage.

**(B) Initial reduced ceiling for certain plans**

In the case of any eligible automatic contribution arrangement (other than an arrangement that meets the requirements of paragraph (12) or (13) of section 401(k)), for plan years ending before January 1, 2025, subparagraph (A)(ii) shall be applied by substituting “10 percent” for “15 percent”.

**(4) Investment requirements**

An eligible automatic contribution arrangement meets the requirements of this paragraph if amounts contributed pursuant to such arrangement, and for which no investment is elected by the participant, are invested in accordance with the requirements of section 2550.404c-5 of title 29, Code of Federal Regulations (or any successor regulations).

**(c) Exceptions**

For purposes of this section—

**(1) Simple plans**

Subsection (a) shall not apply to any simple plan (within the meaning of section 401(k)(11)).

**(2) Exception for plans or arrangements established before enactment of section**

**(A) In general**

Subsection (a) shall not apply to—

(i) any qualified cash or deferred arrangement established before the date of the enactment of this section, or

(ii) any annuity contract purchased under a plan established before the date of the enactment of this section.

**(B) Post-enactment adoption of multiple employer plan**

Subparagraph (A) shall not apply in the case of an employer adopting after such date of enactment a plan maintained by more than one employer, and subsection (a) shall apply with respect to such employer as if such plan were a single plan.

**(3) Exception for governmental and church plans**

Subsection (a) shall not apply to any governmental plan (within the meaning of section 414(d)) or any church plan (within the meaning of section 414(e)).

**(4) Exception for new and small businesses**

**(A) New business**

Subsection (a) shall not apply to any qualified cash or deferred arrangement, or any annuity contract purchased under a plan, while the employer maintaining such plan (and any predecessor employer) has been in existence for less than 3 years.

**(B) Small businesses**

Subsection (a) shall not apply to any qualified cash or deferred arrangement, or any annuity contract purchased under a plan, earlier than the date that is 1 year after the close of the first taxable year with respect to which the employer maintaining the plan normally employed more than 10 employees.

**(C) Treatment of multiple employer plans**

In the case of a plan maintained by more than 1 employer, subparagraphs (A) and (B) shall be applied separately with respect to each such employer, and all such employers to which subsection (a) applies (after the application of this paragraph) shall be treated as maintaining a separate plan for purposes of this section.

(Added Pub. L. 117-328, div. T, title I, §101(a), Dec. 29, 2022, 136 Stat. 5275.)

**Editorial Notes**

REFERENCES IN TEXT

The date of the enactment of this section, and such date of enactment, referred to in subsec. (c)(2), is the date of enactment of Pub. L. 117-328, which was approved Dec. 29, 2022.

**Statutory Notes and Related Subsidiaries**

EFFECTIVE DATE

Pub. L. 117-328, div. T, title I, §101(c), Dec. 29, 2022, 136 Stat. 5277, provided that: “The amendments made by this section [enacting this section] shall apply to plan years beginning after December 31, 2024.”

**§ 415. Limitations on benefits and contribution under qualified plans**

**(a) General rule**

**(1) Trusts**

A trust which is a part of a pension, profitsharing, or stock bonus plan shall not constitute a qualified trust under section 401(a) if—

(A) in the case of a defined benefit plan, the plan provides for the payment of benefits with respect to a participant which exceed the limitation of subsection (b), or

(B) in the case of a defined contribution plan, contributions and other additions under the plan with respect to any participant for any taxable year exceed the limitation of subsection (c).