

October 5, 2026

Internal Revenue Service
Attn: CC:PA:01:PR (Notice 2026-48)
Room 5503
P.O. Box 7604
Ben Franklin Station
Washington, DC 20044

RE: Notice 2026-48, Notice of Intent to Issue Regulations with Respect to Saver's Match Contributions

The American Retirement Association ("ARA") is writing in response to the request for comments in Notice 2026-48 regarding Saver's Match contributions under Internal Revenue Code ("IRC") § 6433, as added by section 103 of the SECURE 2.0 Act of 2022, and referenced above (the "Notice"). ARA thanks the Internal Revenue Service ("IRS" or the "Service") and the Department of the Treasury ("Treasury") for the opportunity to provide input on these matters. ARA's comments below focus on Saver's Match contributions to employer-sponsored retirement plans and do not address contributions to IRAs.

ARA is a national organization of over 40,000 members who provide consulting and administrative services to American workers, savers, and sponsors of retirement plans and IRAs. ARA members are a diverse group of retirement plan professionals of all disciplines, including financial advisors, consultants, administrators, actuaries, accountants, and attorneys. ARA is the coordinating entity for its five underlying affiliate organizations, representing the full spectrum of America's private retirement system: the American Society of Pension Professionals and Actuaries ("ASPPA"), the National Association of Plan Advisors ("NAPA"), the National Tax-Deferred Savings Association ("NTSA"), the American Society of Enrolled Actuaries ("ASEA"), and the Plan Sponsor Council of America ("PSCA"). ARA's membership is diverse but united in a common dedication to America's employer-based retirement plan system.

Summary

ARA strongly supports Treasury's and the Service's efforts to implement Saver's Match contributions under IRC § 6433. The Notice reflects significant progress toward establishing a workable framework for delivering Saver's Match contributions. In particular, ARA appreciates Treasury's consideration of whether the proposed methods for claiming, processing, and delivering Saver's Match contributions could be simplified or revised to ease the implementation burden. To promote efficient, accurate administration that leverages existing retirement system infrastructure and encourages broad participation by employer-sponsored retirement plans, ARA recommends that Treasury and the Service:

- Use a conduit IRA and existing rollover infrastructure as the primary mechanism for delivering Saver's Match contributions to employer-sponsored retirement plans;
- Permit plans to accept Saver's Match rollovers even if they do not otherwise accept rollovers, to treat those amounts differently from other rollover contributions, and to impose conditions on in-service withdrawals without violating IRC § 411(d)(6);
- Develop a clear process for confirming the destination designated by a taxpayer is valid before payment, including procedures to validate or redirect payments when plan, account, or service-provider information changes;
- Establish a centralized registration and payment portal that permits recordkeepers and other plan service providers to register on behalf of plans, validate and route payments before transmission, and update registration information throughout the year;

- Use standardized electronic payment methods, formats, transaction identifiers, and data fields to transmit Saver's Match contributions;
- Establish standardized procedures and reason codes for rejecting, returning, and resolving unclaimed or unallocable payments;
- Facilitate participation by utilizing existing records to communicate to potentially eligible taxpayers
- Utilize Form W-2 reporting to improve plan identification and payment accuracy; and
- Create a dedicated Form 1099-R code for distribution of erroneous amounts.

Discussion

I. Utilize a Conduit IRA and the Existing Rollover Infrastructure

The Notice outlines three paths for directing a Saver's Match contribution to a retirement plan. Under the Registration and Rollover Paths, Treasury would establish a conduit IRA to receive and roll over the Saver's Match contribution to the retirement plan. As a rollover, the contribution would not be subject to the special Saver's Match contribution rules, including the special reporting rules, distribution restrictions, and the recovery tax. The third, the Automatic Match Path, proposes direct payment of a Saver's Match contribution to the plan and requires plan compliance with the special rules.

ARA recommends that Saver's Match amounts intended for employer-sponsored retirement plans first be deposited into a conduit IRA and subsequently transferred to the receiving retirement plan as a rollover contribution. To encourage widespread adoption among employer-sponsored plans, the Saver's Match implementation process should minimize the need for retirement plans, IRA providers, and recordkeepers to establish new or significantly modify existing contribution administration systems. Rollover contributions are administered daily by retirement plans using well-established procedures that are broadly understood and supported by employers, custodians, trustees, and recordkeepers. By allowing the Saver's Match to be treated in the same manner as any other rollover (through use of the conduit IRA), the IRS will minimize the administrative expense and burden associated with special contribution-source tracking and reporting requirements that would apply if the Saver's Match were contributed directly to the plan and increase the likelihood that recordkeepers and other service providers will support acceptance of the Saver's Match.

This widespread ability to administer the Saver's Match without creating additional complexity and risk for plan sponsors will be critical to encourage plan sponsors to accept Saver's Match contributions, which in turn will allow taxpayers the option to grow Saver's Match contributions in lower-cost retirement plans without incurring the time and expense of establishing an IRA to accept the Saver's Match.

By contrast, the Automatic Match Path would allow direct contributions of the Saver's Match to plans. While there are advantages to automatic identification of a plan to accept the match that ARA would support, ARA recommends the Service not pursue this path because plans would be subject to the special reporting rules and distribution restrictions that will complicate administration and reduce the likelihood that plan sponsors elect to accept the Saver's Match.

II. Permit Plans Flexibility To Restrict In-Service Distributions of Saver's Match Rollovers and Provide IRC § 411(d)(6) Relief

The Notice notes that under the Registration Path and the Rollover Path, amounts rolled over from the conduit IRA are treated the same as any other rollover contribution. Many plans allow participants to withdraw rollover contributions at any time because rollover funds already were distributed from another plan or IRA following a distributable event. While the ability to treat the Saver's Match as a rollover from a conduit IRA is important to widespread adoption, some plan sponsors may wish to treat these rollover contributions differently than other rollovers for certain purposes, such as accepting only these rollovers or limiting the availability of an in-service distribution. However, the Notice is unclear whether a plan sponsor could elect to

treat the Saver's Match differently from other rollovers. In addition, restricting in-service distributions of the rollover account raises issues related to the cutback of protected benefits under IRC § 411(d)(6).

ARA recommends the Service clarify that a plan may, but is not required to: (1) accept rollovers of the Saver's Match from the conduit IRA even if the plan does not otherwise accept rollover contributions (such as, with respect to participants who are no longer actively employed, accepting these rollovers and not other rollovers); (2) treat Saver's Match rollovers differently from other rollover contributions, such as subjecting those rollovers to distribution restrictions or withdrawal minimums; and (3) apply minimums, restrictions, or other conditions to in-service withdrawal rights for existing rollover accounts without violating IRC § 411(d)(6).

Providing this flexibility would encourage plan sponsors to accept the Saver's Match and allow them to design plans in the manner that best serves their employee populations. Further, because a distribution taken during the testing period (which includes the two preceding taxable years) impacts the taxpayer's Saver's Match eligibility, allowing plans to restrict distributions of these amounts would not only promote continued savings but also continued Saver's Match eligibility for taxpayers. Additionally, from a practical perspective, Saver's Match contributions often will be small, and being able to restrict in-service access without restricting plan participant access to other rollover contributions would save plans the time and cost of processing a potentially significant number of small withdrawals.

III. Avoid Misdirection of Saver's Match

Under the Registration Path, the plan (or its recordkeeper or plan service provider) registers with Treasury and the Service in advance, the taxpayer provides a destination number at the time the Form 8880-A is filed, and Treasury pays the Saver's Match to a conduit IRA that automatically rolls over to the registered plan. The Rollover Path, by contrast, provides the taxpayer with a confirmation number after filing and the taxpayer must provide the number to an eligible destination, the provider of which will then use the number to claim the Saver's Match.

In both cases, a significant period may pass between the filing of Form 8880-A and the payment of the Saver's Match contribution. During that time, participants may terminate employment, take full distributions, change employers, or transfer account balances to another plan. Plans may also terminate, merge, change recordkeepers, or otherwise change plan service providers. As a result, relying on information provided in advance could cause significant difficulties if the taxpayer's plan, account, recordkeeper, or plan service provider changes between the time the number is provided and the time the Saver's Match is paid.

ARA recommends the Service develop a clear process for confirming the destination designated by a taxpayer is still valid at the time of payment to avoid the transmission of funds that a plan or service provider can no longer accept. It is also important to ensure there is a common identifier for redirecting a returned or misdirected payment. Both the Registration Path and the Rollover Path can be designed to accommodate these essential features.

The Saver's Match confirmation number that would be given to each taxpayer under the Rollover Path has the advantage of allowing the taxpayer the opportunity to choose the receiving plan when the contribution is ready to be deposited, which addresses issues such as a change in recordkeeper or job changes that may occur between filing and payment. This reduces the risk of misdirected payments and minimizes the number of times a taxpayer will need to interface with the IRS to claim the match. A confirmation number also would provide recordkeepers and plan service providers with a reliable reference for matching payments to participant accounts and identifying and correcting errors.

The Registration Path would need to include similar protections to avoid misdirected payments, such as an easy-to-use interface for recordkeepers to confirm a taxpayer who is using a given destination number is still eligible to make the Saver's Match contribution to the plan. This will require transmission and confirmation of the taxpayer ID and destination number followed by the service provider's confirmation and immediate payment by Treasury. It will be essential that the process to confirm these accounts is secure, electronic, and can interface with recordkeeping systems to allow scalability to serve the millions of retirement accounts

in the employer-based system. To address changes to a destination number that impact a group of taxpayers, there should be a mechanism to register a “forwarding destination number” that could be used if a plan were moved from one recordkeeper to another. This forwarding process would allow the plan to notify Treasury that the destination is now with a different provider and Treasury should direct all payments using the old destination number to the new account. This would avoid the need for potentially thousands of taxpayers to interact with the Service to update a destination number, which would otherwise reduce successful claims for the Saver’s Match.

IV. Establish a Centralized Registration and Payment Portal

Successful implementation of Saver’s Match contributions depends upon accurate and current information regarding retirement plans, recordkeepers, and plan service providers. The Notice contemplates registration by retirement plans but does not establish the registration process, required information, methods for updating information, or applicable deadlines.

ARA recommends that Treasury establish a centralized electronic registration framework and payment portal that permits retirement plan recordkeepers and other plan service providers to register on behalf of the retirement plans they service. In practice, recordkeepers typically maintain the participant records, payment systems, and operational infrastructure that would be required to receive and allocate Saver’s Match contributions. Accordingly, registration should focus on the entities responsible for administration rather than requiring plans to independently complete registration requirements.

A centralized electronic payment portal could allow retirement plans, recordkeepers, and plan service providers to:

- Review pending Saver’s Match payments before transmission;
- Validate participant and account information;
- Confirm the availability of a receiving account;
- Accept or reject pending payments;
- Update plan service provider information;
- Return funds that cannot be allocated; and
- Communicate standardized reason codes and payment statuses.

ARA further recommends that Treasury permit registration information to be updated throughout the year to reflect recordkeeper changes, trustee changes, plan mergers, plan spin-offs, plan terminations, employer transfers among pooled employer plans (“PEPs”) and multiple employer plans (“MEPs”), and similar administrative events to allow registration changes to be incorporated into transition planning. ARA believes that such a portal would significantly reduce the number of returned, unclaimed, and unallocable payments.

V. Utilize Standard Electronic Payment Methods

The successful operation of Saver’s Match contributions depends upon efficient and accurate payment processing. As such, **ARA recommends** that Saver’s Match amounts be transmitted entirely through standardized electronic payment methods rather than physical checks. Treasury should establish standardized payment formats, transaction identifiers, and required data fields that can be used consistently throughout the retirement industry. Each payment should include sufficient information to identify the taxpayer, the receiving plan service provider, the receiving plan, the participant account, and the applicable Saver’s Match Confirmation Number.

Standardized electronic payment data will facilitate allocation, reconciliation, correction, and reporting functions across retirement plans, recordkeepers, and plan service providers.

VI. Establish Procedures for Rejected, Returned, and Unclaimed Payments

Even with robust validation procedures, some Saver's Match payments will inevitably become unallocable because participant or plan circumstances change between filing and payment.

Accordingly, **ARA recommends** that Treasury establish a standardized process that permits retirement plans, recordkeepers, and plan service providers to reject or return payments that cannot be properly allocated. A payment should be eligible for rejection or return when it cannot be properly allocated to an eligible account, including when:

- The participant cannot be identified;
- No eligible account remains open;
- The participant has fully distributed the account;
- The identified plan terminated, merged, or transferred to another provider; or
- Another condition prevents proper allocation.

Treasury should establish standardized reason codes and electronic return procedures, with responsibility for determining the ultimate disposition of returned payments remaining with Treasury and the Service rather than receiving financial institutions. These procedures also should apply where a financial institution receives a Saver's Match payment that was misdirected or otherwise improper but has not been determined by the Secretary to be erroneous, such as a payment credited to an account of an individual who was not intended to receive it.

VII. Facilitate Participation by Utilizing Existing Records to Communicate to Potentially Eligible Taxpayers

ARA recommends that Treasury consider ways to increase participation by leveraging information already available through existing tax and payroll reporting systems. Where the Service records indicate income within the applicable Saver's Match eligibility ranges together with retirement contributions reported through payroll or other retirement savings vehicles, taxpayers should receive prompts through tax-return preparation software or related filing systems notifying them of potential eligibility for Saver's Match contributions. Such prompts would not determine eligibility but would encourage taxpayers to complete Form 8880-A and claim available benefits.

VIII. Utilize Form W-2 Reporting to Improve Plan Identification and Payment Accuracy

The Notice requests comments regarding whether information returns, including Form W-2, could be modified to facilitate the administration of Saver's Match contributions. ARA believes payroll reporting systems can play an important role in improving the accuracy and efficiency of the Saver's Match payment process.

One of the operational challenges associated with Saver's Match contributions is identifying the correct retirement plan and plan service provider that should receive the contribution. This challenge is particularly significant in the employer-sponsored retirement plan environment, where the employer issuing Form W-2 may not be the plan sponsor, recordkeeper, trustee, or other entity responsible for receiving and allocating rollover contributions. The issue is especially pronounced for PEPs and MEPs, where numerous employers participate in a single plan administered by a centralized plan service provider who in many cases does not issue the Form W-2.

ARA recommends that, if the registration method is used, Treasury establish a unique retirement plan registration identifier that may be reported on Form W-2 for employees participating in a retirement plan. The registration identifier should be linked to the plan's registered recordkeeper or other designated plan service provider and should enable Treasury and the Service to associate the employee, employer, retirement plan, and receiving plan service provider when Form 8880-A is filed and processed.

The identifier should be designed to accommodate the realities of MEP and PEP administration. In other words, utilizing the EIN of the employer issuing the participant's Form W-2 would not be sufficient to identify the plan sponsor of the retirement plan ultimately receiving the Saver's Match contribution. Accordingly, the identifier should connect the participant to the appropriate registered plan and receiving plan service provider regardless of the plan structure involved.

In addition, **ARA recommends** that Treasury consider allowing the retirement plan registration identifier to be used with Form 8880-A and in validating payments through the portal described in Section IV. This approach would leverage information already available through existing payroll reporting systems while reducing the need for participants to repeatedly identify and validate retirement plan information throughout the Saver's Match payment process.

IX. Create a Dedicated Form 1099-R Reporting Code for Distribution of Erroneous Amounts

An erroneous Saver's Match contribution is treated as an underpayment of tax. If it is distributed by the due date, including extensions, of the taxpayer's return for the year of the erroneous payment determination, the distribution is not taxable and is not subject to the 10 percent additional tax under IRC § 72(t), although any attributable earnings are taxable.¹

ARA recommends that Treasury adopt a dedicated Form 1099-R distribution code for timely distributions of Saver's Match amounts subsequently determined to be erroneous. A dedicated reporting code would promote consistent tax reporting and facilitate administration by retirement plans, taxpayers, tax preparers, and the Service.

Conclusion

As Treasury and the Service recognize in the Notice, the Saver's Match represents "a new approach to promoting retirement savings and an important opportunity to improve the long-term financial security of low-to moderate-income Americans," and its success will depend on an administrative framework that is efficient, scalable, and capable of leveraging existing retirement system infrastructure. Delivering Saver's Match contributions to employer-sponsored retirement plans through the conduit IRA and existing rollover procedures, permitting plans flexibility to protect Saver's Match rollovers from immediate withdrawal, issuing a Saver's Match Confirmation Number for every approved claim, and establishing a centralized registration and payment portal with standardized payment data and clear return procedures would improve payment accuracy, reduce burdens on plan sponsors, recordkeepers, and plan service providers, and encourage broad plan participation in the Saver's Match program. We appreciate Treasury's and the Service's consideration of these comments.

These comments are submitted on behalf of ARA and were prepared by ASPPA's IRS Subcommittee, Laura R. Harrington, CPC, QPA, QKA, TGPC, Chair. ARA appreciates the opportunity to submit these comments and would welcome the opportunity to discuss them further. Please contact Kelsey Mayo, Chief of

¹ See IRC § 6433(f)(4)(A), (B)(i)

Retirement Policy and Regulatory Affairs, at kmayo@usaretirement.org or (703) 516-9300, with any questions regarding this matter. Thank you for your time and consideration.

Sincerely,

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