

Changes to Safe Harbor Notices for Recipients of Eligible Rollover Distributions

August 19, 2020

The IRS recently issued Notice 2020-62 (the “**Notice**”), which modifies the two safe harbor explanations set forth in Notice 2018-74 that plan administrators may use to satisfy the requirements under Code Section 402(f) that plans provide certain information regarding eligible rollover distributions to participants, beneficiaries, and alternate payees who are receiving distributions. The modifications to these explanations reflect recent legislative changes, including those made by the Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act), and include a new exception to the 10% additional tax for qualified birth or adoption distributions and the increase in age for required minimum distributions to age 72 for employees born after June 30, 1949. The Notice also includes an updated (i) model safe harbor notice for distributions that are not from a designated Roth account and (ii) model safe harbor notice for distributions that are from a designated Roth account. Plan sponsors should work with their third-party administrators and outside counsel to ensure that plan notices are updated to reflect these changes. The Notice is available [here](#).