IRS Issues Disaster Relief Guidance FAQs Under Secure 2.0

May 9, 2024

RELATED PRACTICES Employee Benefits and Executive Compensation

The IRS issued FAQs in Fact Sheet 2024-19 providing additional guidance to retirement plan sponsors regarding implementation of the SECURE 2.0 Act disaster relief rules for distributions from retirement plans and IRAs and loans in the case of federally declared major disasters. Prior to the SECURE 2.0 Act, there was no ongoing disaster relief; Congress needed to enact relief on a disaster-by-disaster basis. Under the new SECURE 2.0 Act provisions, plan sponsors no longer have to wait for Congress to act in order to provide relief to participants in federally declared major disasters.

The FAQs provide retirement plan sponsors guidance on adding provisions to their plans which allow for qualified disaster distributions. Specifically, the FAQs provide insight on the following categories:

- General information;
- Taxation and reporting of qualified disaster recovery distributions;
- Repayment of qualified distributions taken for the purpose of purchasing or constructing a principal residence in a qualified disaster area; and
- Loans from certain qualified plans.

The IRS press release announcing the FAQs is available here, and IRS Fact Sheet 2024-19 is available here.

© 2026 Haynes and Boone, LLP