

# IRS Issues Guidance on Qualified Long-Term Care Distributions from Retirement Plans

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**PRACTICES** Employee Benefits and Executive Compensation

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The IRS recently released Notice 2026-33, providing long-awaited guidance on qualified long-term care distributions (“**QLTCDs**”) under Section 401(a)(39) of the Internal Revenue Code. This provision, enacted as part of the SECURE 2.0 Act, permits eligible retirement plans to distribute funds to participants to help cover the cost of long-term care insurance premiums without the imposition of the 10% early distribution penalty. The guidance is effective for distributions made after December 29, 2025. Notably, unlike certain other SECURE 2.0 permitted distribution, QLTCDs are not eligible for the extended three-year repayment period and are subject to several reporting and disclosure requirements, including a long-term care premium statement that must be filed with the plan by the insurance issuer.

For plan sponsors that do choose to offer QLTCDs, this notice provides relief by extending the amendment deadline. The deadline for non-governmental and non-collectively-bargained defined contribution plans to adopt a plan amendment permitting QLTCDs has been extended to December 31, 2027. For applicable collectively bargained plans, the deadline remains December 31, 2028, and for governmental plans, the deadline is December 31, 2029.

IRS Notice 2026-33 is available [here](#).