

MEMO# 14821

June 24, 2002

HOUSE PASSES BILL TO MAKE PERMANENT THE PENSION PROVISIONS OF EGTRRA

[14821] June 24, 2002 TO: PENSION COMMITTEE No. 23-02 PENSION OPERATIONS ADVISORY COMMITTEE No. 40-02 RE: HOUSE PASSES BILL TO MAKE PERMANENT THE PENSION PROVISIONS OF EGTRRA On June 21, the House of Representatives passed H.R. 4931, the “Retirement Savings Security Act of 2002” by a vote of 308 to 70. The bill, sponsored by Representatives Rob Portman and Ben Cardin, would make permanent the pension and IRA provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA) — specifically, subtitles (A) through (F) of Title VI of EGTRRA. As you may recall, the House of Representatives in April of this year had passed a bill to make EGTRRA’s changes permanent.¹ A democratic substitute amendment to H.R. 4931 was defeated by a vote of 204 to 182. While the substitute amendment generally would have repealed the “sunset” provision with regard to EGTRRA’s retirement savings provisions, it would have also imposed substantive limitations on several of the provisions (such as the increase in the Code section 401(a)(17) compensation limit and the top-heavy rule modifications), as well as limitations relating to executive compensation arrangements. The text of the bill and the Joint Committee on Taxation’s description of the bill are attached. Thomas T. Kim Associate Counsel Attachment (in .pdf format) 1 See Institute Memorandum to Pension Committee No. 14-02, Pension Operations Advisory Committee No. 27-02, and 529 Plan Advisory Committee No. 19-02, dated April 23, 2002.