

**MEMO# 3982**

August 6, 1992

## **SENATE VOTING ON SUPER IRA PROPOSAL; LETTERS OF SUPPORT**

August 6, 1992 TO: BOARD OF GOVERNORS NO. 54-92 MEMBERS - ONE PER COMPLEX NO. 23-92 FEDERAL LEGISLATION COMMITTEE NO. 6-92 PENSION COMMITTEE NO. 28-92 TAX COMMITTEE NO. 31-92 RE: Senate Voting on Super IRA proposal; Letters of Support

As early as today, the full U. S. Senate may consider major tax legislation (H.R. 11) that contains the Bentsen-Roth Super IRA proposal to make deductible IRAs available to all Americans again. The Bentsen-Roth Super IRA proposal would provide individuals with two savings options: a traditional, tax-deductible IRA, or a new IRA, where contributions would not be tax-deductible, but earnings held for five years would not be taxed when withdrawn. The proposal also provides new flexibility by permitting penalty free withdrawals for first time home purchases, college educational expenses and financially devastating medical expenses. The vote in the Senate will not be an easy one. Amendments to strike the IRA are already filed. Therefore, it is critical that Senators hear from industry representatives regarding your support of the Super IRA proposal. We are asking that you write your Senators as soon as possible to let them know of your support of the Super IRA. Attached is a summary of "talking points" that you may find helpful. It is our recommendation that you fax and/or overnight mail these letters; the fax numbers are included where they are available. If you have any questions, please call me or Julie Domenick. Thank you for your assistance in this very important effort. Matthew P. Fink President Attachments