

MEMO# 2494

January 25, 1991

BENTSEN PROPOSES UNIVERSAL "SUPER" IRA

January 25, 1991 TO: MARKETING COMMITTEE NO. 5-91 SALES FORCE MARKETING COMMITTEE NO. 3-91 DIRECT MARKETING COMMITTEE NO. 3-91 RE: BENTSEN PROPOSES UNIVERSAL "SUPER" IRA _____ Attached is a memorandum to the Institute's Pension Committee which describes Senator Lloyd Bentsen's proposal to introduce legislation which will create a "Super IRA". The Super IRA would restore the universally deductible IRA and establish a new, non-deductible IRA which allows for tax-free distributions as long as assets remained in the account for at least 5 years. The Super IRA would also permit penalty free withdrawals for first home purchases, educational expenses and devastating medical expenses by an individual or his family members from their IRAs. As noted in the attached memorandum, a meeting of Pension Committee members has been scheduled for February 5, 1991 during which the Super IRA proposal and other matters will be addressed. If you are interested in attending this meeting, we urge you to discuss this matter with your pension personnel and call Wynetta Singhateh at 202/955-3525 by February 1, 1991. We will keep you informed of further developments. W. Richard Mason Assistant General Counsel Attachment