

MEMO# 9818

April 2, 1998

SENATOR GRASSLEY INTRODUCES LEGISLATION TO MODIFY SECTION 415(C)

[9818] April 2, 1998 TO: PENSION COMMITTEE No. 19-98 RE: SENATOR GRASSLEY
INTRODUCES LEGISLATION TO MODIFY SECTION 415(c)

Senator
Grassley (R-IA) recently introduced the Enhanced Savings Opportunities Act, S. 1856, which would modify section 415(c) of the Code for defined contribution plans. Under section 415(c), total contributions by an employer and employee into a defined contribution plan are limited to 25% of compensation or \$30,000. The bill would eliminate the 25% limitation and retain \$30,000 as the limit for defined contribution plans. A copy of the legislation is attached. Kathryn A. Ricard Assistant Counsel Attachment

Copyright © by the Investment Company Institute. All rights reserved. Information may be abridged and therefore incomplete. Communications from the Institute do not constitute, and should not be considered a substitute for, legal advice.