

118TH CONGRESS
2D SESSION

S. 4398

To amend the Internal Revenue Code of 1986 to provide for a microemployer pension plan startup credit.

IN THE SENATE OF THE UNITED STATES

MAY 23, 2024

Ms. HASSAN (for herself and Mr. BUDD) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to provide for a microemployer pension plan startup credit.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Retirement Investment
5 in Small Employers Act”.

6 **SEC. 2. MICROEMPLOYER PENSION PLAN STARTUP CRED-**

7 **IT.**

8 (a) IN GENERAL.—Section 45E of the Internal Rev-
9 enue Code of 1986 is amended by adding at the end the
10 following new subsection:

1 “(g) CREDIT FOR MICROEMPLOYERS.—

2 “(1) IN GENERAL.—In the case of a qualified
3 microemployer—

4 “(A) subsection (a) shall be applied by
5 substituting ‘100 percent’ for ‘50 percent’, and

6 “(B) subsection (b)(1) shall be applied by
7 substituting ‘\$2,500’ for ‘\$500’ in subpara-
8 graph (A) thereof.

9 “(2) QUALIFIED MICROEMPLOYER.—For pur-
10 poses of this subsection, the term ‘qualified micro-
11 employer’ means an employer which would be an eli-
12 gible employer if section 408(p)(2)(C)(i)(I) were ap-
13 plied by substituting ‘10’ for ‘100’, but only if the
14 eligible employer plan established or maintained by
15 such employer, under the terms of the plan, accepts
16 payment of the matching contribution under section
17 6433.”.

18 (b) EFFECTIVE DATE.—The amendment made by
19 this section shall apply to taxable years beginning after
20 December 31, 2026.

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