

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

reform isn't just something to think about, it's something needed soon.

Mar. 30, 2015

The nation's largest society of professional accountants is telling Congress that tax reform isn't just something to think about, it's something needed soon.

On Thursday last week, the [American Institute of CPAs](#) submitted 8 recommendations to the Senate Committee on Finance Tax Reform Working Group on Savings and Investment that would simplify employer-sponsored retirement plans and individual retirement accounts.

In the [letter](#) to the working group, Troy Lewis, CPA, CGMA, chair of the AICPA Tax Executive Committee, wrote, "Because qualified retirement plans are such a large source of retirement savings for many Americans, it is important that the tax rules governing the plans are as simple as possible."

Lewis noted that the Internal Revenue Code "provides for more than a dozen tax-favored employer-sponsored retirement planning vehicles, each subject to different rules pertaining to plan documents, eligibility, contribution limits, tax treatment of contributions and distributions, availability of loans, portability, nondiscrimination, reporting and disclosure."

The eight recommendations are:

- Create a uniform employee contributory deferral plan;
- Eliminate certain nondiscrimination tests on employee pre-tax and Roth deferrals for 401(k) plans and matching contributions;
- Eliminate the top-heavy rules;
- Create a uniform rule regarding the determination of basis in distributions;
- Create a uniform attribution rule;

- Create a uniform definition of owners;

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

suggestions are designed to encourage the operation of qualified retirement plans by small business, expanding retirement savings for all employees.”

Accounting • Firm Management • Income Tax • IRS • Taxes

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2024 Firmworks, LLC. All rights reserved