

117TH CONGRESS  
1ST SESSION

# H. R. 2943

To amend the Internal Revenue Code of 1986 to allow retroactive elective deferrals for owners of unincorporated businesses in the case of a plan adopted after the close of the taxable year and before the time for filing the return of tax.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 30, 2021

Mr. SCHWEIKERT introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to allow retroactive elective deferrals for owners of unincorporated businesses in the case of a plan adopted after the close of the taxable year and before the time for filing the return of tax.

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. RETROACTIVE FIRST YEAR ELECTIVE DEFER-**  
4 **ALS FOR SOLE PROPRIETORS.**

5 (a) IN GENERAL.—Section 401(b) of the Internal  
6 Revenue Code of 1986 is amended by adding at the end  
7 the following: “In the case of an individual who owns the

1 entire interest in an unincorporated trade or business, and  
2 who is the only employee of such trade or business, any  
3 elective deferral (as defined in section 402(g)(3)) under  
4 a plan to which the preceding sentence applies which is  
5 made by such individual before the time for filing the re-  
6 turn of such individual for the taxable year (determined  
7 without regard to any extensions) shall be treated as hav-  
8 ing been made before the end of the plan's first plan  
9 year.”.

10 (b) EFFECTIVE DATE.—The amendment made by  
11 this section shall apply to plan years beginning after De-  
12 cember 31, 2021.

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