

117TH CONGRESS  
1ST SESSION

# H. R. 3644

To amend the Internal Revenue Code of 1986 to reduce the age for making catch-up contributions to retirement accounts to take into account time out of the workforce to provide dependent care services.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 28, 2021

Mrs. WALORSKI (for herself and Mr. PAPPAS) 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 reduce the age for making catch-up contributions to retirement accounts to take into account time out of the workforce to provide dependent care services.

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 “Expanding Access to  
5 Retirement Savings for Caregivers Act”.

1 **SEC. 2. REDUCTION OF AGE FOR MAKING CATCH-UP CON-**  
 2 **TRIBUTIONS FOR INDIVIDUALS OUT OF**  
 3 **WORKFORCE TO PROVIDE DEPENDENT CARE**  
 4 **SERVICES.**

5 (a) INDIVIDUAL RETIREMENT PLANS.—Section  
 6 219(b)(5) of the Internal Revenue Code of 1986 is amend-  
 7 ed by adding at the end the following new subparagraph:

8 “(D) REDUCTION OF AGE FOR MAKING  
 9 CATCH-UP CONTRIBUTIONS FOR INDIVIDUALS  
 10 OUT OF WORKFORCE TO PROVIDE DEPENDENT  
 11 CARE SERVICES.—

12 “(i) IN GENERAL.—In the case of an  
 13 eligible individual, subparagraph (B)(i)  
 14 shall be applied by substituting ‘the appli-  
 15 cable age with respect to such individual’  
 16 for ‘the age of 50’.

17 “(ii) APPLICABLE AGE.—For purposes  
 18 of this subparagraph, the term ‘applicable  
 19 age’ means, with respect to any eligible in-  
 20 dividual for any taxable year, 50 reduced  
 21 by the number of years which is equal to  
 22 the duration of the aggregate qualified un-  
 23 employment periods with respect to such  
 24 individual (determined as of the beginning  
 25 of such taxable year). For purposes of the  
 26 preceding sentence any duration of aggre-

1 gate qualified unemployment periods which  
2 is not a multiple of a whole number of  
3 years shall be rounded to the next lowest  
4 whole number of years.

5 “(iii) ELIGIBLE INDIVIDUAL.—For  
6 purposes of this subparagraph, the term  
7 ‘eligible individual’ means, with respect to  
8 any taxable year, any individual who has  
9 one or more qualified unemployment peri-  
10 ods determined as of the beginning of such  
11 taxable year.

12 “(iv) QUALIFIED UNEMPLOYMENT PE-  
13 RIOD.—For purposes of this subparagraph,  
14 the term ‘qualified unemployment period’  
15 means, with respect to any individual, any  
16 uninterrupted period—

17 “(I) which is not less than 1  
18 year,

19 “(II) which begins after such in-  
20 dividual attains age 18, and

21 “(III) during which such indi-  
22 vidual has no earned income (as de-  
23 fined in section 32(c)(2)) on account  
24 of such individual’s provision of care

1 to one or more qualifying individuals  
 2 (as defined in section 21(b)(1)).

3 “(v) DECLARATION REQUIREMENT.—

4 A qualified unemployment period shall not  
 5 be taken into account under this subpara-  
 6 graph with respect to any individual unless  
 7 such individual has submitted to the Sec-  
 8 retary a written declaration made under  
 9 the penalties of perjury that such period  
 10 meets the requirements of clause (iv) with  
 11 respect to such individual. The trustee may  
 12 rely on such declaration unless the trustee  
 13 knows, or has reason to know, that such  
 14 declaration is false.”.

15 (b) ELECTIVE DEFERRALS.—Section 414(v) of such  
 16 Code is amended by adding at the end the following new  
 17 paragraph:

18 “(7) REDUCTION OF AGE FOR MAKING CATCH-  
 19 UP CONTRIBUTIONS FOR INDIVIDUALS OUT OF  
 20 WORKFORCE TO PROVIDE DEPENDENT CARE SERV-  
 21 ICES.—

22 “(A) IN GENERAL.—In the case of an eligi-  
 23 ble participant, paragraph (5)(A) shall be ap-  
 24 plied by substituting ‘the applicable age with re-  
 25 spect to such participant’ for ‘age 50’.

1           “(B) APPLICATION OF DEFINITIONS AND  
2 RULES.—For purposes of this paragraph,  
3 clauses (ii), (iii), (iv), and (v) of section  
4 219(b)(5)(D) shall apply—

5           “(i) by substituting ‘participant’ for  
6 ‘individual’ each place it appears in such  
7 clauses, and

8           “(ii) by substituting ‘plan adminis-  
9 trator’ for ‘trustee’ in such clause (v).

10          “(C) ERROR CORRECTION.—The Secretary  
11 shall issue regulations or other guidance under  
12 which an applicable employer plan may correct  
13 for an impermissible catch-up contribution by  
14 providing for a distribution of such contribution  
15 together with any earnings properly attributable  
16 thereto.”.

17          (c) EFFECTIVE DATE.—The amendments made by  
18 this section shall apply to taxable years beginning after  
19 the date of the enactment of this Act.

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