

117TH CONGRESS
2D SESSION

H. R. 8625

To amend the Internal Revenue Code of 1986 to modify rules relating to beneficiaries of charitable remainder trusts.

IN THE HOUSE OF REPRESENTATIVES

JULY 29, 2022

Mr. SCHNEIDER (for himself and Mrs. WALORSKI) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to modify rules relating to beneficiaries of charitable remainder trusts.

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 “Special Needs Trust
5 Improvement Act of 2022”.

1 **SEC. 2. TREATMENT OF CHARITABLE REMAINDER BENE-**
 2 **FICIARIES IN APPLICABLE MULTI-BENE-**
 3 **FICIARY TRUSTS UNDER DEFINED CON-**
 4 **TRIBUTION PLAN DISTRIBUTION RULES**
 5 **AFTER DEATH OF EMPLOYEE.**

6 (a) IN GENERAL.—Section 401(a)(9)(H)(iv)(II) of
 7 the Internal Revenue Code of 1986 is amended by striking
 8 “no individual” and inserting “no beneficiary”.

9 (b) APPLICABLE MULTI-BENEFICIARY TRUST DEFINI-
 10 TION.—Section 401(a)(9)(H)(v) of such Code is amend-
 11 ed by adding at the end the following:

12 “For purposes of the preceding sentence,
 13 in the case of a trust the terms of which
 14 are described in clause (iv)(II), any bene-
 15 ficiary that is an organization described in
 16 section 408(d)(8)(B)(i) shall be treated as
 17 a designated beneficiary described in sub-
 18 clause (II).”.

19 (c) EFFECTIVE DATE.—The amendments made by
 20 this section shall take effect as if included in section 401
 21 of the Setting Every Community Up for Retirement En-
 22 hancement Act of 2019.

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