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Proposed regulations: Rollover rules for qualified plan loan offset amounts

The U.S. Treasury Department and IRS this afternoon released for publication in the Federal Register a notice of proposed rulemaking (REG-116475-19) concerning the extended rollover period for a qualified plan loan offset (a type of plan loan offset) as enacted by a provision of the U.S. 2017 tax law (Pub. L. No. 115-97) or the law that is often referred to as the "Tax Cuts and Jobs Act" (TCJA).

The TJCA contains a provision that extends the period allowed for a qualified plan loan offset amount to be contributed to an eligible retirement plan as a rollover contribution from 60 days to the due date, including extensions, for filing the federal income tax return for the tax year the loan offset occurs. This extension applies to a qualified plan loan offset amount distributed from a qualified retirement plan, section 403(b) plan, or governmental section 457(b) plan solely because of a termination of the plan or the failure to meet the repayment terms because of a severance from employment.

The [proposed regulations](#) [PDF 288 KB] provide guidance in a "question and answer" (Q&A) format about the rules for the extended rollover period for a qualified plan loan offset.

Comments and requests for a public hearing must be received by October 5, 2020.

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