

Section 328.

(last updated 1/19/2023)

Title: Repeal of direct payment requirement on exclusion from gross income of distributions from governmental plans for health and long-term care insurance

Effective Date: Effective for distributions made after the date of enactment.

Mandatory or Optional: Optional

Plans Affected: All

Previous Law: Current law provides an exclusion from gross income for up to \$3,000 for distributions made by governmental retirement plans to pay for health insurance premiums of certain eligible retired public safety officers, provided the premiums are paid directly by the plan.

SECURE 2.0 Law: Allows the plan to distribute funds to pay for qualified health insurance premiums (1) directly to the insurer or (2) directly to the participant (but the participant must include a self-certification that such funds did not exceed the amount paid for premiums in the year of the distribution when filing the tax return for that year).

Guidance and/or Correction Bills:

- None