

## 115 TH CONGRESS 1ST SESSION H.R. 3653

To provide for MyRA accounts, and for other purposes.

## IN THE HOUSE OF REPRESENTATIVES

August 15, 2017

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

## A BILL

To provide for MyRA accounts, and for other purposes.

- 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 "Making Your Retire-
- 5 ment Accessible Act" or the "MyRA Act".
- 6 SEC. 2. MYRA ACCOUNTS.
- 7 (a) IN GENERAL.—Section 408A of the Internal Rev-
- 8 enue Code of 1986 is amended by adding at the end the
- 9 following:
- 10 "(g) MyRA Accounts.—
- 11 "(1) Special rule for contributions from
- 12 TAX REFUNDS.—A taxpayer may elect to contribute

1 any portion of an overpayment of income tax for a 2 taxable year to a MyRA account. The amount elect-3 ed under the preceding sentence— "(A) shall not exceed the amount allowed as a credit under section 25B for the taxable 6 year, and 7 "(B) shall not be treated as qualified retirement contributions for purposes of section 8 9 219. 10 "(2) DIRECT DEPOSIT.—The Secretary shall 11 provide for direct deposit of refunds from overpay-12 ments of income tax by a taxpayer to the MyRA ac-13 count of a participant. 14 "(3) MYRA ACCOUNT DEFINED.—For purposes 15 of this subsection, the term 'MyRA account' means 16 a Roth IRA which meets the requirements of section 17 3106(d) of title 31, United States Code.". 18 (b) MyRA Program.—Section 3106 of title 31, 19 United States Code, is amended by adding at the end the 20 following new subsection: 21 "(d)(1) The Secretary shall, in accordance with this 22 subsection, establish and carry out a program of individual 23 savings accounts to be known as 'MyRA accounts' under

which the Secretary shall, upon receipt of contributions

- 1 in cash by or on behalf of a participant, issue retirement
- 2 savings bonds to the MyRA account of the participant.
- 3 "(2) In carrying out the program under paragraph
- 4 (1), the Secretary shall—
- 5 "(A) administer a MyRA account for each par-
- 6 ticipant and credit bonds issued to the participant to
- 7 the MyRA account of the participant,
- 8 "(B) serve as custodian of assets in the pro-
- 9 gram,
- 10 "(C) issue retirement savings bonds described
- in paragraph (4), and
- 12 "(D) issue to each participant an annual state-
- ment relating to the participant's MyRA account.
- 14 "(3) For purposes of this subsection, the term 'MyRA
- 15 account' means a Roth IRA (as defined in section 408A
- 16 of the Internal Revenue Code of 1986) established by the
- 17 Secretary on behalf of a participant.
- 18 "(4) A retirement savings bond issued under this sub-
- 19 section shall—
- 20 "(A) earn interest at the same annual percent-
- age rate as securities issued to the Government Se-
- curities Investment Fund in the Thrift Savings Plan
- for Federal employees, as determined under section
- 24 8438(e)(2) of title 5, United States Code,

- 1 "(B) shall be compounded daily at 1/360 of the 2 annual percentage rate,
- "(C) shall have a maturity date that is indeterminate and may differ for each bond issued, but that does not exceed the earlier of 30 years from the date the bond is first issued on behalf of the participant or when the total value of all such bonds held on behalf of the participant in the MyRA account reaches \$15,000,
- 10 "(D) shall cease to bear interest on the date of 11 maturity, and
- 12 "(E) shall be redeemed by the Secretary upon 13 maturity.
- 14 "(5) Upon reaching maturity the Secretary shall
- 15 transfer the entire amount in the MyRA account in a man-
- 16 ner that meets the rollover requirements of section
- 17 408(d)(3) to a Roth IRA (other than a MyRA account)
- 18 of the participant administered by a trustee who meets
- 19 the satisfaction requirements of the Secretary under sec-
- 20 tion 408(a)(2). For purposes of this paragraph, the Sec-
- 21 retary shall make transfers to eligible trustees on a rotat-
- 22 ing basis unless the participant elects otherwise.
- 23 "(6) The Secretary shall accept contributions from
- 24 employers on behalf of employees by direct deposit.

1	"(7) The Secretary shall accept contributions from
2	participants by direct deposit.
3	"(8) Participant information under the program
4	under this subsection shall be exempt from disclosure to
5	the public.
6	"(9) The Secretary shall issue a quarterly report to
7	Congress—
8	"(A) listing the number of accounts created in
9	that quarter, the total number of accounts in exist-
10	ence, the overall value of assets in the accounts, and
11	the number of taxpayers per zip code (of the tax-
12	payer) who have created accounts; and
13	"(B) the names of employers who paid fines for
14	failure of the employer to notify their employees of
15	these accounts.
16	"(10) The Secretary shall issue such regulations or
17	other guidance as may be necessary or appropriate to
18	carry out this subsection.".
19	(c) Employer Requirements.—
20	(1) Chapter 43 of the Internal Revenue Code of
21	1986 is amended by adding at the end the following:

## 1 "SEC. 4980J. FAILURE OF EMPLOYER RELATING TO MYRA

- 2 ACCOUNTS.
- 3 "(a) Imposition of Tax.—There is hereby imposed
- 4 a tax on the failure of any employer to meet the require-
- 5 ments of subsection (e) with respect to any employee.
- 6 "(b) Amount of Tax.—

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- 7 "(1) IN GENERAL.—The amount of tax imposed 8 by subsection (a) on any failure with respect to any 9 employee shall be \$100 for each day in the non-10 compliance period with respect to such failure.
  - "(2) NONCOMPLIANCE PERIOD.—For purposes of this section, the term 'noncompliance period' means, with respect to any failure, the period beginning on the date the failure first occurs and ending on the date the notice to which the failure relates is provided or the failure is otherwise corrected.
- 17 "(c) Limitations on Amount of Tax.—
- 18 "(1) Tax not to apply where failure not 19 DISCOVERED AND REASONABLE DILIGENCE EXER-20 CISED.—No tax shall be imposed by subsection (a) 21 on any failure during any period for which it is es-22 tablished to the satisfaction of the Secretary that 23 any employer subject to liability for the tax under 24 subsection (d) did not know that the failure existed 25 and exercised reasonable diligence to meet the re-26 quirements of subsection (e).

1	"(2) Tax not to apply to failures cor-
2	RECTED WITHIN 30 DAYS.—No tax shall be imposed
3	by subsection (a) on any failure if—
4	"(A) any employer subject to liability for
5	the tax under subsection (d) exercised reason-
6	able diligence to meet the requirements of sub-
7	section (e), and
8	"(B) such employer provides the notice de-
9	scribed in subsection (e) during the 30-day pe-
10	riod beginning on the first date such employer
11	knew, or exercising reasonable diligence would
12	have known, that such failure existed.
13	"(3) Overall limitation for uninten-
14	TIONAL FAILURES.—
15	"(A) In general.—If the employer sub-
16	ject to liability for tax under subsection (d) ex-
17	ercised reasonable diligence to meet the require-
18	ments of subsection (e), the tax imposed by
19	subsection (a) for failures during the taxable
20	year of the employer shall not exceed \$500,000.
21	"(B) TAXABLE YEARS IN THE CASE OF
22	CERTAIN CONTROLLED GROUPS.—For purposes
23	of this paragraph, if all persons who are treated
24	as a single employer for purposes of this section
25	do not have the same taxable year, the taxable

- years taken into account shall be determined under principles similar to the principles of section 1561.
- "(4) WAIVER BY SECRETARY.—In the case of a failure which is due to reasonable cause and not to willful neglect, the Secretary may waive part or all of the tax imposed by subsection (a) to the extent that the payment of such tax would be excessive or otherwise inequitable relative to the failure involved.
- 10 "(d) LIABILITY FOR TAX.—The employer shall be lia-11 ble for the tax imposed by subsection (a).
- 12 "(e) Employer Requirements Relating to 13 Myra Accounts.—
- "(1) IN GENERAL.—An employer who pays
  wages to any employee through direct deposit shall
  make contributions through direct deposit to the
  MyRA account of the amount of wages designated
  by an employee who elects to participate in the
  MyRA program under section 3106(d) of title 31,
  United States Code.
- "(2) EXCEPTION.—Paragraph (1) shall not apply to any employer with respect to an employee if the employer offers an employer-sponsored qualified retirement plan to the employee.

1	"(3) NOTICE REQUIREMENT.—Each employer
2	shall, in each paystub, provide a uniform notice to
3	employees on how the employees can create a MyRA
4	account.".

5 (2) The table of sections for chapter 43 of such 6 Code is amended by adding at the end the following 7 new item:

"Sec. 4980J. Failure of employer relating to MyRA accounts.".

8 (d) Effective Date.—The amendments made by 9 this section shall take effect on the date of the enactment 10 of this Act.

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