Letter from the Investment Company Institute

October 5, 2026

Internal Revenue Service
CC:PA:01:PR (Notice 2026-48)
Room 5503
P.O. Box 7604
Ben Franklin Station
Washington, DC 20044

Re: Notice 2026-48 – Comments re. Notice of Intent to Issue Regulations with Respect to Saver's Match Contributions

To Whom It May Concern:

The Investment Company Institute (ICI)[1] appreciates the opportunity to provide our views to the Department of the Treasury ("Treasury") and the Internal Revenue Service (IRS) on Notice 2026-48 – Notice of Intent to Issue Regulations with Respect to Saver's Match Contributions ("Notice"). The Notice requests comments to inform Treasury and IRS as they work to draft regulations for the administration of Saver's Match contributions pursuant to sections 103 and 104 of the SECURE 2.0 Act. The Saver's Match is a refundable tax credit, beginning in 2027, that will be deposited directly into retirement accounts for eligible individuals who make qualifying retirement savings contributions.

[1] The Investment Company Institute (ICI) is the leading voice of the asset management industry serving individual investors. ICI represents mutual funds, exchange-traded funds (ETFs), closed-end funds, and unit investment trusts (UITs) in the United States, and UCITS and similar funds offered to investors in other jurisdictions. Its members manage $48.6 trillion invested in funds registered under the US Investment Company Act of 1940, serving more than 125 million investors. Members manage an additional $11.5 trillion in regulated fund assets managed outside the United States. ICI also represents its members in their capacity as investment advisers to collective investment trusts (CITs) and separately managed accounts (SMAs) for individual investors. ICI associate members include service providers to funds, including financial communications firms, custodians and transfer agents, and CIT Trust companies. ICI has offices in Washington, DC, Brussels, and London.

ICI supports the goal of Saver's Match contributions to broaden participation in the US retirement system and help low- and moderate-income workers save more for retirement. Saver's Match contributions will encourage participation by low- and moderate-income workers who otherwise may be less likely than other workers to save and invest for retirement. To succeed in this goal, it is crucial that Treasury and IRS implement Saver's Match in a manner that is simple, efficient, and cost-effective for all parties. Implementing Saver's Match contributions presents numerous questions and challenges. These questions involve, among other things, the processes for claiming the Saver's Match, identifying the accounts to receive the match, effectuating the transfer of funds from Treasury to retirement plans (Plans) and IRAs, how to handle transmission errors and undesignated funds, and the system for reporting and disclosure around Saver's Match contributions. We appreciate Treasury's repeated outreach for feedback on these issues as you work toward proposed guidance.

ICI in November 2024 submitted a comment letter to Treasury and IRS ("2024 Letter") in response to Notice 2024-65, Request for Comments Regarding Implementation of Saver's Match Contributions.[2] Given the broad and preliminary nature of Notice 2024-65, our comments generally addressed more thematic issues. As we noted in the 2024 Letter, our comments also reflected the preliminary views of ICI member firms pending further clarity as to Treasury's intended direction. Our comments here address both specific points raised in Notice 2026-48 and broader thematic issues, some of which were noted in the 2024 Letter. Our goal is to help ensure that the system to implement Saver's Match contributions is simple and efficient, and that it eliminates unnecessary complexity wherever possible. Achieving these goals will further broad adoption of Saver's Match contributions.

Executive Summary

This letter provides our recommendations with regard to Treasury's approach to Saver's Match contributions. These recommendations are preliminary in nature, and may shift depending on how the proposed regulations address the numerous considerations relevant to successfully implementing Saver's Match.

[2] Letter from Elena Barone Chism, Deputy General Counsel - Retirement Policy, and David A. Cohen, Associate General Counsel - Retirement Policy, to IRS (November 7, 2024), https://www.ici.org/system/files/2024-11/24-cl-saver-match-contributions.pdf.

- ***Treasury should utilize a conduit IRA for all Saver's Match contributions to IRAs.*** We recommend Treasury provide that all Saver's Match contributions to IRAs, whether to a traditional or Roth IRA, first be routed through a conduit IRA established by Treasury with its selected conduit IRA provider or providers. Leveraging a conduit IRA would foster the successful implementation of Saver's Match contributions by eliminating the need for IRA providers to establish multiple systems with different reporting structures and back-end plumbing to route Saver's Match contributions.

- ***Treasury should utilize a single IRA provider tracking number system for all IRA providers.*** Rather than requiring separate registration for traditional and Roth IRAs, a single IRA provider registration system would be more efficient for Treasury to implement and would reduce the burden on IRA providers to accept Saver's Match contributions. Separate tracking numbers are unnecessary, as participant level information would be sufficient for IRA providers to direct funds to designated traditional or Roth IRAs.

- ***Treasury should not require IRA providers to provide any participant information to Treasury.*** There are significant liability concerns associated with sharing participant personal identifying information (PII), and even the specter of these liabilities would pose a barrier to participation in Saver's Match.

- ***Treasury should not limit consumer choice by imposing additional conditions on IRA providers' ability to accept Saver's Match contributions.*** Treasury should not impose any unnecessary conditions on the ability of IRA providers to accept Saver's Match contributions, such as requiring that IRA providers participate in TrumpIRA.gov in order to receive Saver's Match contributions. Any such restrictions would reduce consumer choice and acceptance of Saver's Match contributions, leading to less effective implementation of Saver's Match.

- ***Transfers of Saver's Match contributions to Plans should utilize the Registration Path.*** We recommend Treasury provide that Saver's Match contributions to Plans be facilitated though the Registration Path proposed in the Notice. We outline several advantages of the Registration Path as compared to the other two proposed pathways, making it more likely to lead to successful implementation of Saver's Match.

- ***Transfers of Saver's Match contributions should not include any transfers with no good destination.*** As we noted in the 2024 Letter, our members have emphasized that

any implementation of Saver's Match should not include the transfer of funds for which there is no good destination. The most efficient way to achieve this is to build into the funds transfer process a means to first confirm that all planned transfers are in good order.

- ***Batched fund flows would enhance efficiency and reduce the burden of accepting Saver's Match contributions.*** Treasury should adopt batched fund flows to reduce transaction costs and the burden on systems of accepting Saver's Match contributions. To the extent feasible, Treasury also should consider providing for per transaction fund flows for those providers that are not equipped to accept batched fund flows.

- ***Data flows should be automated and batched, and also should provide for automated data validation.*** Automated data flows, including automated data validation, among all parties to the transactions, would further the efficient implementation of Saver's Match. Leveraging mature technology such as application programming interfaces (APIs) would provide for both data flows and data validation without the need for human intervention, to the extent feasible.

- ***Any proposed Saver's Match regulations should provide for a 90-day comment period.*** As we explain in this letter and in the 2024 Letter, Saver's Match may require IRA providers and Plans and their service providers to undertake significant updates to their systems and processes. It is critical to a successful Saver's Match implementation that all potentially impacted parties and business units have sufficient time to consider and provide feedback on any proposed regulations.

I. Recommendations for Directing Saver's Match Contributions to IRAs

A. All Transfers of Saver's Match Contributions to IRAs Should Utilize a Conduit IRA

For Saver's Match contributions directed to IRAs, the Notice (A. E-2) contemplates a process whereby an IRA provider that is willing to accept the Saver's Match would register with IRS and receive a tracking number. Individuals would be able to learn the IRA tracking number associated with the IRA provider either through a government website or directly from the IRA provider. An individual would include this tracking number on Form 8880-A (after they have

established the IRA).[3] If an individual directs the Saver's Match contribution to a Roth IRA, Treasury would first establish a conduit traditional IRA to receive the deposit and then transfer the Saver's Match contribution into a Roth IRA in a Roth conversion transaction.

We recommend that Saver's Match contributions to *all* IRAs—both Roth and traditional—be facilitated through an initial transfer to a conduit IRA, followed by an immediate trustee-to-trustee transfer to an individual's chosen IRA. The different proposed paths for the deposit of Saver's Match contributions into traditional IRAs (direct transfer) and Roth IRAs (transfer via conduit IRA) add complexity and could lead to confusion. With two different paths, service providers would need to establish two different processes (with different back-office systems) to handle Saver's Match contributions to IRAs. It is critical to the success of Saver's Match that it is straightforward to implement, and that it imposes as little additional burden as possible on IRA providers and Plans, including their service providers.

Routing all Saver's Match contributions through a conduit IRA, in conjunction with other recommendations below, would significantly simplify both the processes and the behind-the-scenes "plumbing" for accepting and processing Saver's Match contributions to IRAs and Plans. This would, in turn, substantially increase IRAs' and Plans' acceptance of Saver's Match contributions. Using a single process across IRAs and Plans also would increase efficiencies in systems rollouts to facilitate Saver's Match contributions. This is an important consideration for IRA providers and Plans and their service providers as they consider deploying systems to facilitate large numbers of small transactions. Moreover, as a practical matter most IRA and retirement plan service providers already have established processes to accept rollover contributions. Routing all Saver's Match contributions through conduit IRAs also would eliminate the need to amend IRAs or Plans that already accept rollovers in order for them to accept Saver's Match contributions. Our members have indicated that eliminating the need to amend IRAs and plans would remove an important barrier to broader acceptance of Saver's Match contributions.

[3] If an individual's preferred IRA provider has not registered with the IRS, then the individual could establish an IRA with a provider who has registered and then move the Saver's Match contribution to their preferred IRA provider through a trustee-to-trustee transfer after Treasury has deposited the Saver's Match contribution.

B. A Single Registration and Tracking Number System for Both IRA Types Is Optimal

The Notice specifies that an IRA provider that will accept Saver's Match contributions with respect to both traditional and Roth IRAs would need to register both as a traditional IRA provider and as a Roth IRA provider and would receive two distinct IRA tracking numbers. To avoid unnecessary complexity and potentially confusing duplicative tracking numbers, in addition to providing a single path for all Saver's Match contributions to IRAs, we recommend a process in which IRA providers would register once and obtain a single tracking number for both traditional and Roth IRAs, rather than requiring two separate registrations and two different tracking numbers for traditional and Roth IRAs offered by the same firm. The purpose of two separate registrations and tracking numbers is unclear, as both traditional and Roth IRAs would be offered by the same provider and information as to the individual's IRA account would be sufficient to direct funds.

C. Treasury Should Limit or Avoid the Transfer of Personal Identifying Information

Neither the Notice nor Notice 2024-65 address how individuals would provide information to the IRS to facilitate the transfer of Saver's Match contributions to their designated IRA account. Our members have expressed concerns about any process that would require IRAs or IRA service providers to transmit any PII regarding individuals or their individual accounts to Treasury. Among other things, these parties face significant potential liabilities in connection with transfers of this information. As such, any required sharing of PII would discourage the broad acceptance of Saver's Match contributions. As Treasury continues to develop this process, we ask that these concerns be kept in mind.

D. Treasury Should Not Limit Consumer Choice by Imposing Additional Conditions on IRA Providers' Ability to Accept Saver's Match Contributions

The Notice references potential use of the TrumpIRA.gov website to facilitate the IRA provider registration and the designation of IRA account as a destination for Saver's Match contributions. Regardless of how the IRA provider registration and IRA account designation processes are implemented, neither process should require that an IRA provider participate in the TrumpIRA.gov platform. The parameters for participating in the TrumpIRA.gov platform are not yet determined. Some IRA providers may not be eligible, for example because they do not offer products that meet potentially narrow criteria for investments and fees. These criteria should not preclude an IRA provider from being able to accept Saver's Match contributions (whether it be directly from Treasury or from a conduit IRA established by Treasury). Furthermore, individuals should be able to designate the IRA of their choice to receive a

Saver's Match contribution, without having to create multiple IRAs at different financial institutions. Code section 6433 provides that the Saver's Match contribution shall be payable by the Secretary to the *applicable retirement savings vehicle* of the eligible individual, defined in relevant part as an account or plan which accepts Saver's Match contributions and is designated by the individual. This provision does not appear to contemplate Treasury overriding an individual's account designation election and we urge Treasury not to limit in any way the range of vehicles that can accept the Saver's Match under current law.

II. Transfers of Saver's Match Contributions to Plans Should Utilize the Registration Path

The Notice (at A. E-3) outlines three potential paths under consideration for the payment of Saver's Match contributions to a retirement plan.

- Under the Registration Path, a retirement plan accepting rollover contributions would register with Treasury for purposes of Saver's Match. An individual's Saver's Match first would be paid to a conduit IRA established by Treasury, and then immediately rolled over into the retirement plan.
- Under the Automatic Match Path, Plans (or recordkeepers or service providers) would provide plan-level and participant-level information to Treasury to facilitate payment of Saver's Match contributions. Using matching technology similar to that used in existing auto-portability programs, the Saver's Match contribution would be automatically paid directly to the retirement plan that has provided the plan-level and participant-level information that facilitates a match between the eligible individual and the retirement plan.
- Under the Rollover Path, (1) the IRS would provide a Saver's Match Confirmation Number to an individual who makes a valid claim for a Saver's Match contribution, (2) the individual would provide the IRS-provided Saver's Match Confirmation Number to the individual's chosen retirement plan, and (3) the chosen retirement plan would provide identifying information to Treasury about the individual and the retirement plan. Treasury would then pay the Saver's Match contribution to a conduit IRA established by Treasury, and the conduit IRA would immediately roll over the Saver's Match contribution to the individual's chosen retirement plan.

We recommend Treasury adopt the Registration Path as the sole means by which Plans would accept Saver's Match contributions. The Registration Path provides numerous advantages as compared to the proposed Automatic Path and Rollover Path. First, it requires no affirmative

steps by Plans or their service providers to provide participant information to the IRS in order to receive Saver's Match contributions. As noted above in connection with IRA tracking numbers, our members have expressed concern over any process that would require them to provide Treasury or IRS with participant PII. As such, it would be easier to implement than the other proposed paths. Second, as Plans would already be registered with IRS there are fewer steps required of plan participants. As a result, the Registration Path offers an increased likelihood of participant take-up of the Saver's Match. Third, Plans that already accept rollover contribution (as many do) would not need to be separately amended to accept Saver's Match contributions, further easing the path to accept Saver's Match contributions. Fourth, those Plans and service providers which already accept rollover contributions could leverage existing infrastructure to facilitate accepting Saver's Match contributions. Lastly, as the Notice observes, the Registration Path would relieve plans from having to comply with special Saver's Match contribution rules after they are rolled over from a conduit IRA. This would relieve Plans of any need to separately track Saver's Match contributions and apply numerous special rules that would increase administrative costs and burdens for plans. Together, these advantages are likely to lead to broader retirement plan acceptance of Saver's Match contributions.

III. Transfers of Saver's Match Contributions to Plan and IRA Custodians Should Not Include Contributions with No Good Destination

The 2024 Letter detailed our members' preliminary concerns that where a Saver's Match contribution does not have a valid destination, the framework for Saver's Match contributions should not permit the delivery of contributions to IRAs, Plans, or their service providers. We are not referring here to erroneous contributions, but rather to situations such as where an individual provides incorrect or incomplete information to the IRS, the information is transcribed incorrectly at some point during the process, the participant either closes the designated account or changes employers between the time they file their taxes and the time that Treasury and IRS are prepared to distribute funds, the individual or plan participant does not have a valid account, or a designated account does not accept the contribution (whether a direct Saver's Match contribution or a rollover from a conduit IRA). Any process where a retirement plan, IRA, or service provider may receive unallocated funds would have a material adverse impact on plans and IRAs accepting Saver's Match contributions.

We view the successful implementation of Saver's Match as one where no funds are transferred to a plan or IRA before it has been verified that all associated information is correct and that the designated account is one that can accept Saver's Match contributions. Any transfers from Treasury to plans and IRA providers should not include funds as to which this information indicates the transfer cannot be completed. Neither plans nor IRA providers are

equipped to hold assets not attributed to a current plan participant or IRA holder. Many financial institutions have firm internal restrictions (as short as five business days) on the amount of time that they can hold unallocated funds. In the case of retail brokerage IRA accounts, broker/dealer firms are subject to FINRA restrictions regarding unassigned client funds, such as limits on how long unallocated funds can be held and prohibitions against commingling these funds with the firm's other assets.

Plans and IRAs also would face compliance challenges and potential liability were they to hold funds with no good destination. For example, without a formal agreement to establish an account on behalf of an individual with respect to the funds it is unclear whether an entity could legally hold the funds. Account agreements contain important terms addressing account fees, default investments, and beneficiary designations, among other things, which are necessary to hold the funds. Service providers also are concerned about potential liability in connection with holding any such funds.

To mitigate against the risk that any Saver's Match contributions lacking a good destination would be transferred to an IRA provider or plan service provider, we recommend that any process for transferring contributions from Treasury incorporate two key elements. First, as detailed in the 2024 Letter we recommend Treasury include a mechanism for plans and IRAs to reject or otherwise not accept transfers before they occur. To facilitate an efficient Saver's Match system and to encourage broader adoption of Saver's Match, any such mechanism should be automatic and, to the extent feasible, should leverage existing IRA and retirement plan service provider industry infrastructure. We discuss this further below.

Second, we recommend Treasury build into the process for distributing Saver's Match contributions a mechanism for the return of any such residual improper transfers. While we believe that a verification mechanism such as that outlined in this letter would eliminate virtually all improper transfers, it remains possible that an improper transfer could still occur. It could take some time for Treasury to determine the proper destination for these funds, as this process would require reaching back to the individual claiming a Saver's Match contribution. As such, we recommend any improper funds be returned to Treasury and not to the conduit IRA provider(s). As we understand what Treasury is contemplating, and as we recommend, conduit IRAs would hold funds for only a very short time (typically less than 24 hours) while a transfer (Treasury remittance to a conduit IRA, followed by a rollover to the destination account designated by an individual) is completed. If the transfer cannot be completed due to an improper destination, it stands to reason that the entire transfer should be unwound as the initial deposit to a conduit IRA is not intended to be the final destination of the funds.

As part of the confirmation that transfers are in good order, Saver's Match contributions should either end up in a retirement plan account or IRA or remain held at Treasury. These funds should not be held indefinitely in conduit IRAs pending resolution of transactions that cannot be completed. The use of conduit IRAs for this purpose would entail numerous additional complexities that we believe Saver's Match did not intend. It also would put Treasury in the business of ongoing management of individuals' retirement assets, effectively and inappropriately competing against private sector IRA providers.

IV. Treasury Should Provide for Automated, Batched Fund Flows

Notice 2024-65 asks (in Question 14), among other things, whether funds should be sent to financial institutions separately for each contribution or batched together—whether with respect to all payments made to a particular retirement savings vehicle or to a particular, trustee, custodian, or recordkeeper). We indicated in the 2024 Letter that our members had preliminarily indicated a preference for batched processing for plans and had expressed mixed views for IRAs. Our members have now confirmed a strong preference for batched transfers for both plans and IRAs.[4] As we observed in the 2024 Letter, a batched process—as with any contemplated transfer process—would need to include a mechanism to confirm that plans and IRAs (including their service providers) only receive funds where the transfer has been confirmed to be in good order.

Batched funds processing (which would include batched transmission of associated data) offers numerous advantages over transaction-by-transaction processing. First, transaction-by-transaction processing would entail millions of individual transfers, each with its own exchange of data. This transaction and data flow volume likely will require many service providers to upgrade their systems to avoid them being overwhelmed, with the associated costs ultimately passed on to client plans and IRAs in the form of higher fees. Second, such a high number of data and funds transfers would increase the chances for errors that would then require additional time and resources to correct (not only for service providers but also for Treasury). Third, as noted above, batched processing for both data and fund flows is standard financial industry practice for large volumes of transactions with the same timing.

[4] We recognize that batched transfers will entail multiple batched transfers, including multiple transfers to IRA providers and Plan service providers.

Recognizing that not all IRA and Plans, or their service providers, will be in a position to support batched processing of funds or data, it is crucial to also permit per transaction processing as a backup option.

V. The Saver's Match System Should Provide for Automatic Data Flows and Validation

We appreciate the initial guidance Notice 2026-48 provides as to how data might flow among participants, plans and their service providers, and Treasury. To provide for the efficient implementation of Saver's Match, flows should operate automatically to the extent feasible. As we detail in the 2024 Letter, this includes not only processes for the transfers of funds but also for the transfers of associated data. Standard industry practice for automated data transfer leverages application programming interfaces (APIs). As we explained in the 2024 Letter, APIs are a mature, secure web-based technology that is widely used to facilitate automated communications between electronic systems. APIs provide advantages over other methods of data transfer. In addition to helping ensure the security not only of transferred information but also of both IRS and service provider systems, APIs would facilitate service providers' efficient confirmation that the information associated with each Saver's Match contribution is valid prior to the funds being transferred. Because APIs do not involve any direct exchange of information between systems, government and service provider systems would only have access to the information and files that are shared through an API. Moreover, because APIs do not require any human interaction, they are far less prone to errors than are manual or paper processes.

Providing an efficient way to preview and validate contributions is critical for service providers who receive Saver's Match contribution funds. Utilizing a batched funds transfer process as noted above, the use of APIs (as detailed in Section 5 of the 2024 Letter) would facilitate this in an efficient and cost-effective manner. These processes are widely used in other contexts by retirement plan and IRA service providers. A retirement plan or IRA, or its service provider, would receive through an API information as to each Saver's Match contribution to be transferred in advance of the transfer being initiated. After checking the information against its systems, the plan, IRA, or provider, as the case may be, would then automatically report back to Treasury (also through an API) those proposed transfers for which the information does not match active participant or individual accounts. Treasury would then cancel the planned transfer of these funds, pending further action by Treasury to validate the associated information. This automated confirmation process would take place shortly before batched transfers occur, minimizing any residual improper fund transfers.

As with API transfers of data generally (discussed above) it is important that another route remain available for those plan and IRA service providers who are not in a position to support APIs, whether due to technical and systems challenges or due to their policies.

VI. Treasury Should Provide an Extended Comment Period for Any Proposed Rulemaking

We appreciate the preliminary guidance as to potential regulatory frameworks provided in Notice 2026-48 and Notice 2024-65. As we note here and in the 2024 Letter, this preliminary guidance lacks significant details regarding the ultimate proposed Saver's Match framework. As the details in any proposed regulations will have a significant impact on the ability of Plans, IRAs, and their service providers to effectively and efficiently implement Saver's Match, we urge Treasury to provide a 90-day comment period for any proposed regulations. A 90-day comment period would give commenters sufficient time to gather feedback from all impacted business units, including but not limited to those responsible for building any needed systems.

Conclusion

We appreciate the opportunity to comment on the Notice, and on implementation of Saver's Match contributions generally. We look forward to providing further feedback on the proposed Saver's Match regulations. If you have any questions, please contact Elena Chism at 202/326-5821 (elena.chism@ici.org) or David Cohen at 202/326-5361 (david.cohen@ici.org).

Sincerely,

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