

107TH CONGRESS
1ST SESSION

H. R. 3012

To amend the Internal Revenue Code of 1986 to allow any employer maintaining a defined benefit plan that is not a governmental plan to treat employee contributions as pretax employer contributions if picked up by the employer.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 3, 2001

Mr. BLUNT 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 allow any employer maintaining a defined benefit plan that is not a governmental plan to treat employee contributions as pretax employer contributions if picked up by the employer.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. EXPANSION OF TREATMENT OF EMPLOYEE**
2 **CONTRIBUTIONS AS PRETAX EMPLOYER CON-**
3 **TRIBUTIONS.**

4 (a) **IN GENERAL.**—Subsection (h) of section 414 of
5 the Internal Revenue Code of 1986 is amended by adding
6 at the end the following new paragraph:

7 “(3) **DESIGNATION BY NONGOVERNMENTAL EM-**
8 **PLOYERS.**—For purposes of paragraph (1), in the
9 case of any plan that is not a governmental plan (as
10 defined in subsection (d)), where the contributions of
11 employing units are designated as employee con-
12 tributions but where any employing unit picks up
13 the contributions, the contributions picked up shall
14 be treated as employer contributions.”.

15 (b) **EFFECTIVE DATE.**—The amendments made by
16 subsection (a) shall apply to taxable years beginning after
17 December 31, 2001.

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