S 2583

A bill to amend the Internal Revenue Code of 1986 to provide for rules for the use of retirement funds in connection with federally declared disasters.

Congress: 117 (2021–2023, Ended)
Chamber: Senate
Policy Area: Taxation
Introduced: Aug 3, 2021
Current Status: Read twice and referred to the Committee on Finance.
Latest Action: Read twice and referred to the Committee on Finance. (Aug 3, 2021)
Official Text: https://www.congress.gov/bill/117th-congress/senate-bill/2583

Sponsor

Name: Sen. Cassidy, Bill [R-LA]
Party: Republican • **State:** LA • **Chamber:** Senate

Cosponsors (1 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Menendez, Robert [D-NJ]	D · NJ		Aug 3, 2021

Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Referred To	Aug 3, 2021

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

Bill	Relationship	Last Action
117 S 4808	Related bill	**Sep 8, 2022:** Placed on Senate Legislative Calendar under General Orders. Calendar No. 480.
117 HR 6241	Identical bill	**Dec 9, 2021:** Referred to the House Committee on Ways and Means.

Summary (as of Aug 3, 2021)

This bill allows penalty-free distributions from tax-exempt retirement plans for a federally declared disaster (i.e., a qualified disaster recovery distribution). The bill defines *qualified disaster recovery distribution* as any distribution within a 180 day period after a disaster declaration that is made to an individual whose principal residence is located in a qualified disaster area (an area for which a major disaster has been declared) and who has sustained an economic loss due to the disaster.

The bill sets forth rules for the recontribution of withdrawals from a plan for first-time home purchases or for purchases or construction of a principal residence in a disaster area, and increases the limit on loans from a qualified employer plan that an individual may take in lieu of a distribution.

Actions Timeline

- **Aug 3, 2021:** Introduced in Senate
- **Aug 3, 2021:** Read twice and referred to the Committee on Finance.