



TaxNewsFlash

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Notice 2024-63: Interim guidance on employer matching contributions made to retirement plans related to employee student loan payments

The IRS today released [Notice 2024-63](#) as interim guidance for sponsors of 401(k) and similar retirement plans that provide, or wish to provide, matching contributions based on eligible student loan payments made by their participating employees.

A related IRS release—[IR-2024-217](#) (August 19, 2024)—explains that the notice implements section 110 of the SECURE 2.0 Act of 2022, which permits employers with a 401(k) plan, 403(b) plan, governmental 457(b) plan or SIMPLE IRA plan to provide matching contributions based on student loan payments, rather than based only on elective contributions to retirement plans, in plan years beginning after December 31, 2023.

Notice 2024-63 addresses—using a “question and answer” (Q&A) format—a variety of plan administration issues, including:

- General student loan matching contribution eligibility rules (including dollar and timing limitations)
- What is required for an employee certification that student loan matching contribution requirements have been met
- Reasonable student loan matching contribution procedures that a plan may adopt
- Special nondiscrimination testing relief for 401(k) plans that include student loan matching contributions

The notice applies for plan years beginning after December 31, 2024. Plan sponsors may rely on the notice until proposed regulations are issued.

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