

IRS Issues Updated 402(f) Safe Harbor Rollover Notices Reflecting SECURE 2.0

The Internal Revenue Service (IRS) recently issued [Notice 2026-13](#), providing updated safe harbor notices (one for distributions from Roth accounts and one for distributions for non-Roth accounts) that plan administrators may use to satisfy the written notice requirement under Internal Revenue Code Section 402(f) for eligible rollover distributions. The new safe harbor notices replace the prior model safe harbor notices found in [Notice 2020-62](#) (both of which are superseded) and incorporate a wide range of distribution-related changes under the SECURE 2.0 Act of 2022 (SECURE 2.0) and recent regulations.

Plan administrators may use, customize, or substitute these updated model notices, provided that the content satisfies Section 402(f) and is written to be easily understood. The new safe harbor notices are accurate as of January 15, 2026, but will likely need to be updated again as additional SECURE 2.0 provisions take effect.

Background – Section 402(f) Notices and Prior Guidance

Section 402(f) requires the administrator of a Section 401(a) qualified plan to provide a written explanation (a “402(f) Notice”) to any recipient of an eligible rollover distribution, describing rollover options and related tax consequences. Parallel requirements apply to Section 403(b) plans and governmental Section 457(b) plans.

Regulations under Section 402(f) require this notice to be provided within a reasonable period of time before an eligible rollover distribution is made. Often, the 402(f) Notice is included with the distribution election forms provided to a participant who requests a distribution.

IRS Notice 2020-62 previously provided two safe harbor notices (Roth and non-Roth) but expressly stated that they would cease to satisfy Section 402(f) as statutory or regulatory changes rendered them inaccurate. Extensive changes made by SECURE 2.0 and subsequent guidance now necessitate revised safe harbor notices.

Key SECURE 2.0 and Other Statutory Changes Reflected in the New Safe Harbor Notices

Notice 2026-13 incorporates into the safe harbor notices numerous recent law and regulatory changes, including in the following areas:

- New and expanded exceptions to the 10% additional tax under Section 72(t)
- Required minimum distributions (RMDs) and related rules
- Mandatory cash-outs and default rollovers
- Governmental plans and retired public safety officers under Section 402(l)

- Pension-linked Emergency Savings Accounts (PLESAs)

Other Updated Requirements for Safe Harbor Notices and Timing Rules

Satisfying the “Reasonable Period” Requirement. Notice 2026-13 clarifies how the updated safe harbor notices align with existing and proposed regulations concerning timing. Under current regulations, a “reasonable period” is generally at least 30 days (which a distributee may waive); and no more than 90 days before the distribution date. Proposed regulations, which may be relied upon now, extend the maximum timing window to 180 days before the distribution date or annuity starting date.

In Notice 2026-13, the IRS reiterates that under current regulations, plan administrators are permitted to furnish a 402(f) Notice earlier than required (for example, at separation from service), followed by a summary (i.e., when a participant makes a distribution request). If a participant requests a second full 402(f) Notice after receiving the summary, the full notice must be provided at no charge. The Treasury Department and IRS encourage plan administrators to adopt this earlier-notice approach to help provide participants information about distribution options at a time when they are making decisions about these distributions.

Customization and Alternative Notices. Plan administrators and payors may customize the safe harbor notices by omitting sections that are not applicable to their plans and provide additional information as long as it is not inconsistent with Section 402(f). Alternatively, administrators may opt not to use the safe harbor notices and instead use individually drafted notices, provided that all information required by Section 402(f) is included and the notice is “written in a manner designed to be easily understood.”

The updated safe harbor notices will continue to satisfy Section 402(f) only so long as they remain accurate in light of subsequent legal changes. The IRS anticipates future updates, including for SECURE 2.0 provisions that take effect for taxable years beginning after December 31, 2026 (such as the saver’s match contributions and disability-related first responder payments).

Practical Takeaways for Plan Sponsors and Administrators

- **Update participant communications:** Plans that rely on the revised safe harbor notices should review and update their 402(f) Notices to conform to Notice 2026-13 or otherwise ensure that their notices reflect all relevant changes under current law, including: the new distribution categories and exceptions under Section 72(t); the revised RMD ages and Roth RMD elimination; increased small-benefit cash-out thresholds; and PLESA and disaster distribution rules.
- **Review plan terms before relying on new exceptions:** Many of the new distribution categories (e.g., emergency personal expense, domestic abuse victim, disaster recovery, and terminal illness distributions, PLESAs, and

long-term care distributions) are optional features. To avoid participant confusion regarding what features are available, plan administrators should confirm whether and how these features are included in the plans before referencing them in participant notices.

- **Consider earlier timing for notices:** In light of the IRS's encouragement, plan administrators may wish to provide 402(f) Notices (or full notices plus summaries) at or around the time of separation from service, rather than waiting until distribution processing.

This alert is for general informational purposes only and should not be construed as specific legal advice. If you would like more information about this alert, please contact one of the following attorneys or call your regular Patterson contact.

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