

United States Senate

WASHINGTON, DC 20510

COMMITTEES:
APPROPRIATIONS
FOREIGN RELATIONS
SELECT COMMITTEE ON INTELLIGENCE
SMALL BUSINESS AND ENTREPRENEURSHIP
SPECIAL COMMITTEE ON AGING

October 10, 2018

The Honorable Charles Rettig
Commissioner
Internal Revenue Service
111 Constitution Avenue, NW
Washington, D.C. 20224

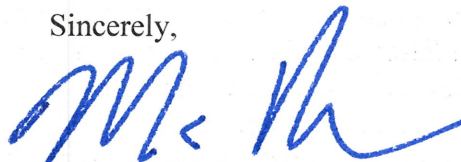
Dear Commissioner Rettig:

As Hurricane Michael approaches the Florida panhandle, I ask that you pre-approve relief to taxpayers residing in areas that are going to be impacted by the storm. Many families will need to draw from their retirement accounts for immediate and necessary financial assistance to prepare for and recover from this storm. I urge that you eliminate barriers to this liquidity by administrative discretion to the maximum procedural relief possible.

As you are aware, individuals who withdraw or take a loan from their qualified employer plans before the age of 59 ½ face early withdrawal penalties that may include a ban on contributions for six months and a 10 percent surtax. Individuals are also limited to a narrow definition as to what qualifies as a “hardship” distribution. As a result of this natural disaster, many Floridians may have to pull from their retirement accounts to rebuild their homes, buy vehicles, and pay for the general costs displacement. As such, I ask that you help Floridians and others affected by this storm recover from this disaster as quickly as possible by providing them with the same penalty relief you provided to those impacted by the 2017 hurricanes. I also request that you relax the definition of a “hardship” distribution to include recovery efforts for Hurricane Michael while also removing the six-month ban on contributions. Additionally, I ask that you allow employees to adopt leave-based donation programs for Hurricane Michael that allows employees to forego vacation, sick, or personal leave in exchange for cash payments to qualifying charitable organizations.

Thank you for your attention to this matter and I look forward to working with you.

Sincerely,



Marco Rubio
U.S. Senator