



October 5, 2026

The Honorable Scott Bessent
Secretary, US Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, DC 20220

The Honorable Frank J. Bisignano
CEO, Internal Revenue Service
1111 Constitution Avenue, NW
Washington, DC 20224

RE: Notice 2026-48—Comments on Intent to Issue Regulations with Respect to the Saver's Match Contributions

Dear Secretary Bessent and Mr. Bisignano:

The Milken Institute is pleased to provide these comments to inform the implementation of the federal Saver's Match program created under the SECURE 2.0 Act of 2022 and implemented under Section 6433 of the Internal Revenue Code. Our recommendations are rooted in the Institute's longstanding commitment to a resilient and inclusive financial system and harnessing the power of finance as a force for good. Our comments also align with our newly launched [Economic Mobility Alliance \(EMA\)](#), which brings together some of our most effective financial programs under one umbrella to foster greater collaboration and maximize our impact, increasing economic mobility for individuals of all backgrounds throughout every stage of their financial lives.

Introduction

The Milken Institute's Lifetime Financial Security program is part of the EMA and focuses on ensuring that everyone leads a financially secure life over time and into retirement. Our focus areas include financial education, retirement plan access, early wealth building, debt management, the financial security of women, combating financial fraud and scams, use of lifetime income, and global financial health—working in conjunction with the United Nations Secretary-General's Special Advocate for Financial Health.

The Milken Institute is pleased to provide these comments related to the work of the US Department of the Treasury (US Treasury) and the Internal Revenue Service (IRS) as they formulate guidance under Notice 2026-48. We appreciate the opportunity to share our thoughts and comments on the structure and implementation of the Saver's Match and the upcoming TrumplRA retirement plans as they relate to the Saver's Match. We strongly support the creation of the Saver's Match as well as TrumplRA accounts to assist low- and middle-income workers in securing their financial futures. The rollout of the federal match across eligible retirement accounts, combined with the expansion of accessible retirement account options like the TrumplRA, will provide critical pathways for working families to build long-term assets and enhance their economic mobility.

This letter highlights:

- the need to adjust the income levels and the phase-out amounts of the Saver's Match
- the need to implement a framework for employees to choose to open a government IRA account to save and capture the federal match or connect their existing retirement account to an IRS system at the time of employment onboarding

- the need to connect the onboarding infrastructure to private employers
- the need to address the significance of tax-filing barriers and the use of back-end infrastructure to capture and display contributions on a rolling basis to drive savings behavior
- the need to implement a robust public education and outreach campaign highlighting the Saver's Match

Adjustments to the Saver's Match Income Levels and Phase-Out Amounts

Summary of Income Level Issues

The Saver's Match was born out of sound legislative intent: to fundamentally transform federal retirement policy by providing direct federal contributions to the retirement savings accounts of working individuals and families. Congress designed the program to help low- and moderate-income workers build long-term wealth by replacing a passive, non-refundable tax credit with a direct federal matching contribution. The law provides a 50 percent match for up to \$2,000 in personal contributions, up to a maximum annual match of \$1,000.

However, workers must contribute the full \$2,000 to receive the maximum match. Since many lower-income workers cannot afford to set aside that amount, the full benefit of the program remains out of reach for many Americans. This barrier is underscored by broader financial constraints. For example, Federal Reserve data on economic well-being across the US revealed that 28 percent of adults report regular difficulty paying monthly bills, and 42 percent cope with financial strain by paying bills late.¹

To make the program more effective in fulfilling its intent, the Milken Institute recommends that the US Treasury work with Congress to review the statutory income thresholds for qualifying for the full match and consider raising them to better reflect the economic realities facing working households and those who would benefit from the match.

Overview of the Current Income Framework

The current statutory rules restrict the maximum federal match to a very narrow, low-income bracket:

Filing Status	Bottom of Partial Range (MAGI)	Full Match Amount	Top of Partial Range (MAGI)	Partial Match Amount
Married Filing Jointly / Surviving Spouse	\$41,001	\$1,000	\$70,999	About \$20
Head of Household	\$30,751	\$1,000	\$53,249	About \$20
Single / Married Filing Separately	\$20,501	\$1,000	\$35,499	About \$20

Source: Internal Revenue Service, Notice 2026-48, Q&As B-4 and C-2, Internal Revenue Bulletin 2026-35

¹ Board of Governors of the Federal Reserve System, *Economic Well-Being of US Households in 2025* (Washington, DC: Board of Governors of the Federal Reserve System, May 2026), <https://www.federalreserve.gov/publications/files/2025-report-economic-well-being-us-households-202605.pdf>.

By way of example, a single individual earning \$20,500 is only \$4,540 above the 2026 federal poverty guideline of \$15,960.² Expecting a worker in this income tier to voluntarily lock away \$2,000—which represents nearly 10 percent of their gross annual income—just to receive the federal match is unrealistic. Many will find it impossible to save 10 percent of their income when most of their paycheck goes toward essential costs such as housing, utilities, and food.

By eliminating the matching contribution for individuals and families who earn moderate wages—as shown in the table above—the framework excludes the vast majority of working-class families who are trying to accumulate long-term wealth. This exclusion is especially problematic given that 67–69 percent of Americans currently live paycheck to paycheck, as discussed in our article on debt, “Rewiring for Wealth: Making the Pivot from Debt Dependency to Saving and Investing.” Thus, we urge the government to consider how to address costs and debt as it considers policy solutions to help lower-wage and moderate-wage workers save for retirement. The Institute will consider ways to address these larger issues in upcoming convenings.

Proposed Adjustments and Path Forward

We recognize that modifying these specific baseline income thresholds requires direct action from Congress rather than administrative adjustments by the US Treasury and the IRS. However, highlighting this structural barrier is vital because the current limits mean the program will fail to benefit many, if not most, of the very workers it was designed to help.

To ensure the Saver’s Match provides a realistic runway for true retirement security, the income brackets could be increased.

Thus, we urge the US Treasury to work with Congress to legislatively expand eligibility brackets to the following: \$45,000–\$65,000 for single filers, \$90,000–\$130,000 for married couples filing jointly, and \$67,500–\$97,500 for heads of household to capture today’s median workforce and accommodate wage volatility. By shifting these income levels, federal policy would align practical rules with the original intent: driving meaningful, long-term wealth accumulation for low- and moderate-income American workers.

Further, while baseline thresholds are statutory, the US Treasury and the IRS could also use their full regulatory authority to optimize inflation indexing adjustments and ensure that definition rules for Modified Adjusted Gross Income (MAGI) do not inadvertently penalize workers in higher-cost regions.

Phase-Out Structure

In addition to expanding the baseline eligibility brackets, the US Treasury and the IRS should evaluate the operational flaws inherent in the current structural phase-out design. Under the framework established by Section 103 of the SECURE 2.0 Act, the rate of the federal matching contribution declines too rapidly within a narrow income band. This steep reduction creates an administrative paradox: it imposes complex regulatory burdens for both providers and the government, while delivering an incentive that is mathematically trivial to the participant.

Trivial Matches at Higher Income Ranges

Under the current law governing the partial match distribution, workers whose earnings place them near the upper boundary of the eligible income range would see their federal matching contribution shrink to an

² US Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation, “2026 Poverty Guidelines,” January 2026, <https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines>.

insignificant amount. For example, a single filer near the top of the range might contribute the full \$2,000 baseline yet qualify for a federal match of only \$20 to \$25. When contrasted against the maximum potential match of \$1,000, these nominal returns fail to serve as a meaningful incentive for saving or as a tool for long-term wealth accumulation. The administrative costs and effort required to open, track, and maintain a dedicated retirement account likely outweigh the value of a matching contribution of this size for both plan managers and workers.

The De Minimis Deficit: Conversion to a Tax Credit

By allowing the match to revert to a basic refundable tax credit for some moderate-income earners, the current phase-out mechanics weaken the program's ability to promote sustained retirement saving among this segment of the workforce. The steep drop-off in matching contributions also introduces a significant policy inefficiency directly established by the statutory text of the SECURE 2.0 Act. Under the law's explicit routing rules, if an individual's calculated matching contribution falls below a \$100 threshold for the taxable year, the US Treasury does not automatically deposit that money into a retirement account. Instead, if the participant elects to do so, the match may be diverted entirely and paid out as a standard refundable tax credit. This \$100 *de minimis* rule dilutes the core purpose of the program for workers near the top of the income range. When a participant's calculated benefit drops to a nominal amount, such as \$20, the system allows them to choose a simple tax refund check. Instead of building dedicated long-term retirement wealth as intended, this small credit is then available as cash. Further, requiring the government to create a tax credit would introduce additional administrative burdens into this process.

Addressing the Phase-Out Provisions and Regional Costs and Inflation Adjustments

Similarly, we urge the US Treasury and the IRS to work with Congress to amend the statutory phase-out provisions.

To mitigate these structural flaws and prevent the program from penalizing the very workers it aims to support, the US Treasury and the IRS could fully utilize their regulatory authority to optimize inflation indexing adjustments. The administrative definitions and rules for MAGI must be carefully calibrated. Without precise, flexible indexing, standard cost-of-living increases and regional wage differences will inadvertently push working-class families in higher-cost regions completely out of the matching tier, turning a well-intentioned policy into a geographic penalty.

Implementing a Framework for Mandatory Active Choice at Employment Onboarding

To effectively drive participation in the Saver's Match program and the related TrumplRA program, the federal government could support a standardized model of "mandatory active choice" during the employment onboarding process. Thus, the process of selecting a retirement account tied to the Saver's Match would become a regular, necessary step for every new hire, completed alongside their standard employment and tax withholding forms. This framework could apply directly when a worker completes their standard tax withholding forms at a workplace that does not offer an employer-sponsored plan.

By making this decision at the point of hire, the system eliminates the administrative inertia that frequently prevents low- and moderate-income workers from setting up retirement accounts. It would help make their path to long-term wealth building as direct and accessible as possible.

Connecting the Onboarding Infrastructure Directly to Private Employers

To operationalize the "mandatory active choice" model without creating manual burdens for small businesses, the US Treasury and the IRS could focus on integrating the data pipelines behind TrumplRA.gov and eligible individual

retirement accounts directly into commercial payroll systems. Instead of leaving small business owners to manually manage employee account selections and deposits, the federal framework could provide standardized application programming interfaces (APIs) for mainstream payroll providers. When an employer inputs a new hire's tax form into its payroll software, the platform would automatically cross-reference the retirement savings account. This secure back-end link could allow the employer's existing payroll system to immediately establish and route the employee's chosen retirement allocations directly to the selected financial institution, turning a complex onboarding requirement into a seamless, turnkey routine for private businesses. And this infrastructure could then be used to communicate with the federal government to relay retirement contribution information so that matching funds could be transferred into accounts on a rolling or quarterly basis.

Eliminating the Tax-Filing Barrier and the Structural Disconnect

Under current law, individuals can claim the Saver's Match only by reporting their retirement contributions on their federal income tax return. Yet millions of low-income workers earn less than the standard deduction and are not legally required to file a tax return. Forcing these individuals and families to file a return solely to receive the match creates an unnecessary structural barrier for the primary population the program intends to serve.

Furthermore, relying solely on the annual tax-filing process to calculate, verify, and distribute the federal match creates a substantial delay that disconnects the act of saving from receiving the financial benefit. For low- and moderate-income workers living paycheck to paycheck, financial planning is usually dictated by immediate, monthly cash-flow needs. Expecting them to set aside scarce funds and wait up to a year or longer for a federal deposit into a designated retirement account is behaviorally unrealistic.

We urge the US Treasury and the IRS to utilize their administrative reporting channels to advise Congress to amend this statutory flaw by decoupling the Saver's Match from the annual tax-filing cycle and enabling a direct, year-round rolling match deposit process in its place.

Until such legislative changes occur, the US Treasury and the IRS could focus their administrative authority on building the necessary back-end infrastructure to track ongoing retirement contributions on a rolling or quarterly basis. Rather than forcing savers to wait until the traditional tax season to claim their match and later receive their deposits, the IRS could establish a standardized, continuous electronic reporting protocol for plan providers both within and outside of the TrumpIRA.gov marketplace.

By establishing standardized, continuous electronic reporting protocols for traditional retirement plan providers and the TrumpIRA.gov marketplace today, the executive branch will ensure the system is fully equipped to execute immediate matching deposits as soon as Congress provides the statutory path to do so.

This would permit savers to see their deposits and the match throughout the year.

Transitioning the Saver's Match to a rolling or quarterly deposit system is significant because it ties to two behavioral drivers that could increase saving and financial engagement:

- **Eliminating the filing barrier:** Decoupling the match from the annual filing cycle removes a practical and psychological hurdle. For millions of low-income workers, being forced to navigate through a complex tax return effectively keeps the program out of reach. A rolling process eliminates this structural bottleneck.
- **The real-time accumulation loop:** Replacing a delayed, annual tax-season payout with recurring federal matching deposits would allow savers to track the immediate impact of compounding returns—creating a positive feedback loop and reinforcing the value of consistent monthly savings habits.

The Critical Need for a Robust Public Education and Outreach Campaign

Because the Saver's Match relies entirely on voluntary participation from individuals who lack access to traditional employer-sponsored plans, its success hinges on public awareness. Historically, utilization rates for the predecessor Saver's Credit remained low in part because a large portion of the target demographic was unaware the tax credit existed. To prevent a repeat of this policy gap, the US Treasury and the IRS must design and execute a comprehensive, proactive educational campaign ahead of the program's official implementation.

This educational initiative could explicitly highlight the existence of the Saver's Match and how to claim it, and demonstrate the long-term compounding value of small, consistent contributions. For low- and moderate-wage workers, showing how the 50 percent federal match can instantly double even nominal monthly deposits and grow over time can strengthen hesitant savers' incentives. Furthermore, the agencies could actively look beyond standard tax-filing notices and partner directly with grassroots organizations, community groups, labor unions, and nonprofits that serve lower-wage workers. By channeling educational resources and clear guidance through trusted, local institutions, the federal government can ensure that information regarding the Saver's Match and the supporting TrumpIRA.gov Informational Marketplace reaches the workers who stand to benefit the most.

Conclusion

The Milken Institute welcomes the opportunity to provide additional details regarding the information above. We would be pleased to meet with you and your staff to discuss these important issues and serve as a resource as you continue to refine the implementation of the Saver's Match and consider the connection with the new TrumpIRA accounts proposed in Executive Order 14403, "Promoting Retirement-Savings Access for American Workers by Establishing TrumpIRA.gov."

Thank you for your continued work to advance the financial security of all Americans.

Sincerely,

Cheryl L Evans

Cheryl L. Evans, JD, LLM
Director, Lifetime Financial Security Program
Milken Institute