

October 5, 2026

Delivered via regulations.gov

Internal Revenue Service
CC:PA:01:PR (Notice 2026-48)
Room 5503
P.O. Box 7604
Ben Franklin Station
Washington, DC 20044

Re: Saver's Match Request for Comments (Notice 2026-48)

Dear Sir or Madam:

On behalf of the SPARK Institute, Inc., we appreciate the opportunity to respond to the request for comments included in Notice 2026-48, the Notice of Intent to Issue Regulations with Respect to Saver's Match Contributions recently published by the Department of the Treasury and Internal Revenue Service (collectively referred to in this letter as "the Treasury").

The SPARK Institute represents retirement plan recordkeepers, mutual fund companies, brokerage firms, insurance companies, banks, consultants, trade clearing firms, and investment managers. Collectively, our member firms administer the retirement plans for over 110 million American workers.

SUMMARY OF COMMENTS

The SPARK Institute believes that the Saver's Match implementation framework previewed in Notice 2026-48 – and subsequent comments from Treasury officials in meetings with stakeholders – incorporates many important features and processes that will help to streamline Saver's Match implementation and greatly increase the chances that low- and middle-income taxpayers will benefit from the Saver's Match in the way that Congress intended. Additionally, we believe that Treasury's anticipated guidance on Saver's Match will make it much more likely that plans and IRAs will be willing to accept the Saver's Match. SPARK's comments below express our support for many of these helpful features and provide recommendations on a range of topics that will need to be addressed before Saver's Match goes live.

As Treasury is very aware, the new Saver's Match program will create an unprecedented program that will require new levels of coordination among individual taxpayers, plans sponsors, retirement plan recordkeepers, trustees, custodians, insurers, tax preparers, and the federal government. Accordingly, in working to develop this program, we greatly appreciate the efforts that Treasury has made to collaborate with the retirement industry in pursuit of a workable and

efficient solution. In this regard, we especially appreciate the multiple instances in which Treasury officials have met directly with SPARK and its members to preview potential guidance and solicit feedback. We believe that these discussions have greatly benefited Treasury and industry as we work together to build a successful Saver's Match program. The SPARK Institute stands ready to continue to serve as a resource for Treasury as it designs, implements, and tests this unprecedented program.

I. SPARK Supports Anticipated Saver's Match Features Designed to Promote Efficiency and Participation

The SPARK Institute was very pleased to see that, through Notice 2026-48 and subsequent comments from Treasury officials, Treasury anticipates incorporating many of the concepts and principles that the SPARK Institute has previously recommended to make the Saver's Match program as simple, streamlined, and automated as possible. As examples, SPARK specifically supports the following features:

- ***Minimizing Administrative Burdens for Plans.*** Consistent with SPARK's previous recommendations, we support all the ways that Treasury is designing the Saver's Match program to minimize administrative burdens and liability for plans and their recordkeepers. For example, we strongly support the preliminary guidance indicating that Saver's Match contributions transferred to a retirement plan via a conduit IRA would not carry over the special tax rules that otherwise apply to the Saver's Match.

  As SPARK has previously expressed, if the process for accepting Saver's Match contributions and correcting mistakes is too difficult, we are concerned that plans and IRA providers may choose not to participate in the program. However, if the process is simple and efficient, we are optimistic that plan sponsors and service providers will make the Saver's Match widely available, and only a small subset of plans and IRAs will opt out. We believe that the anticipated guidance provided in Notice 2026-48 and subsequent comments from Treasury officials will make it much more likely for plans to accept the Saver's Match.

- ***Recordkeeper and Plan Registration.*** Consistent with SPARK's previous recommendations, we support the anticipated guidance that would establish a registration system where retirement plan recordkeepers and IRA providers would register to indicate that the plans and IRAs that they serve will accept the Saver's Match.

- ***Tracking Numbers.*** Consistent with SPARK's previous recommendations, we support the anticipated guidance that would utilize Saver's Match tracking numbers as part of the process for depositing Saver's Match contributions into retirement accounts. As we have previously commented, we believe that such a system is workable and should help to prevent Saver's Match contributions from being sent to plans and IRAs that do not accept the Saver's Match. To assist Treasury in developing a workable convention for creating and issuing tracking numbers, as an appendix to this letter, SPARK is providing

recommendations on how Treasury should create a standardized tracking number structure.

- ***Reporting on Form W-2 and 5498.*** Consistent with SPARK's previous recommendations, we support the anticipated guidance that would add the Saver's Match tracking number to the Form W-2 and Form 5498. While we believe that plans and recordkeepers will also make the Saver's Match tracking number available to participants outside of the Forms W-2 and 5498, automatic reporting on both of those forms will make it much more likely that taxpayers will possess and provide the relevant tracking number when they file their taxes and claim the Saver's Match.

- ***Information Sharing.*** Consistent with SPARK's previous recommendations, we support the anticipated system that would facilitate information sharing between Treasury and retirement industry service providers before Treasury attempts to transfer any Saver's Match contributions to a retirement account. We believe that such a process will provide many benefits, especially helping to prevent the transfer of a Saver's Match contribution to a plan after a taxpayer is no longer a participant.

- ***Batch Transfers.*** Consistent with SPARK's previous recommendations, we support the anticipated system that would transfer Saver's Match contributions in batches, rather than individual transfers to individual retirement accounts. Such a system will be far more efficient than a process that would send one-by-one Saver's Matches to retirement accounts.

II. SPARK Supports the Registration Path for Retirement Plans

The SPARK Institute supports the anticipated Registration Path for directing Saver's Match contributions to retirement plans, as described in Notice 2026-48. Under this approach, each plan would register with Treasury and receive a Saver's Match tracking number that would be reported on each participant's Form W-2, and subsequently on the Form 8880-A when the participant files their taxes. Assuming that a taxpayer is eligible to claim the Saver's Match, Treasury would then use the Saver's Match tracking number to preview Saver's Match transfers to the plan's recordkeeper as part of a batch verification process. If the recordkeeper and plan confirm that the taxpayer still has an active account, Treasury would then send payments to the plan via a conduit IRA. Because Notice 2026-48 anticipates that the special tax rules applicable to Saver's Match contributions would not carry over to a retirement plan that accepts these rollovers and transfers, any plan that ordinarily accepts rollovers could accept these Saver's Match contributions. Also, because a receiving plan could treat these deposits like any other rollover, it would not be required to administer or report these amounts any differently than other rollover contributions.

Consistent with SPARK's previous recommendations, of all the potential options that Treasury is considering, we believe that the Registration Path is the path that is most likely to maximize participation, minimize administrative burden, reduce rejected payments, ensure universal access, and limit the sharing of sensitive information between plans and Treasury. As opposed

to other potential solutions, we especially support the Registration Path because, once a participant claims the Saver's Match and reports a tracking number for an active account, they do not need to take any additional steps to facilitate the transfer of the Saver's Match to their plan. We also support the Registration Path because it would avoid the need for recordkeepers to build information sharing systems between Treasury and participating plans that continually share information on all participants, even those who are not claiming the Saver's Match.

III. SPARK Supports the Use of Conduit IRAs

The SPARK Institute supports the anticipated guidance that would send Saver's Match deposits to retirement plans and Roth IRAs via a conduit IRA. As noted above, we especially support this approach because of the anticipated guidance indicating that Saver's Match contributions transferred through a conduit IRA would not carry over the special tax rules that otherwise apply to the Saver's Match. The special tax rules associated with Saver's Match contributions, especially in plans, would create substantial administrative and operational burdens for any plans willing to accept them. Thus, by issuing guidance that would prevent those special rules from carrying over, SPARK believes that many more plans will be willing to accept the Saver's Match and savers will be much more likely to have all of their retirement savings in a single account.

SPARK also supports the anticipated guidance that would enable Treasury to direct Saver's Match contributions directly to Roth IRAs via a conduit traditional IRA. As SPARK has previously expressed on multiple occasions, we have been very concerned about the potential for individual taxpayers who became eligible for the Saver's Match based on Roth IRA contributions and wish to direct their Saver's Match to that Roth IRA. We believe that Treasury's anticipated solution for handling Roth IRA transfers via a conduit IRA will increase participation by individual taxpayers, minimize erroneous Saver's Match contributions, and promote account consolidation. As Treasury is already aware, this approach will be especially important for taxpayers participating in state auto-IRA programs designed as Roth IRAs and for lower-income taxpayers for whom Roth IRAs can be particularly advantageous.

IV. SPARK's Recommendations and Requests for Additional Guidance

In reviewing the anticipated guidance discussed in Notice 2026-48, we have identified a series of recommendations and requests for additional guidance. In general, these recommendations and requests relate to: (A) the anticipated process for registering plans and issuing tracking numbers; (B) the use of conduit IRAs to transfer the Saver's Match to plans and IRAs; (C) corrections for erroneous Saver's Match contributions; and (D) the anticipated batch verification process.

A. Registration and Tracking Numbers

Creating, Verifying, and Testing the Saver's Match Program. As Treasury works to develop the process for registering plans and issuing tracking numbers, we invite Treasury to reach out to SPARK as a resource to help promote, verify, and test those features. For example, in order for the registration process to be effective, providers will need to understand when and how to register, and Treasury will presumably need to develop safeguards to ensure that anyone registering is a bona fide retirement account provider and not a fraudster. Additionally, before

Treasury attempts to send any Saver's Match contributions to the accounts of eligible taxpayers, we assume that Treasury will need to test the system. The SPARK Institute's members represent a wide array of retirement industry service providers, and in support of these efforts, we encourage Treasury to reach out to SPARK to help facilitate any connections with industry that are needed to make this program successful.

Recommendations for Tracking Number Structure. To assist Treasury in developing a workable convention for creating and issuing tracking numbers, we attach, as an appendix, recommendations on how Treasury could create a standardized tracking number structure.

Embedding the Recordkeeper in the Tracking Number. As we understand Treasury's current thinking on the use of a Saver's Match tracking number, the tracking number will somehow be associated with a particular plan and its recordkeeper. While our members believe that this approach is feasible, they have also identified potential issues that may occur when a plan changes recordkeepers.

Embedding the recordkeeper in the Saver's Match tracking number has the advantage of associating the tracking number with not just the plan but also the likely financial account where the funds will be sent, since the recordkeeper likely will be receiving contributions to its bank account, rather than an account set up just for that plan. Another advantage of associating the Saver's Match tracking number with the recordkeeper is that it might better deal with plans with more than one vendor, including 403(b) plans, where identifying the plan does not by itself indicate which vendor the contribution should be sent to.

Another advantage is that a plan's recordkeeper could register with Treasury on behalf of (and with the permission of) the plan administrator, and provide the payment information. It might also make it easier when a plan changes recordkeepers for the new recordkeeper to register on behalf the plan and provide payment information.

But this system also creates challenges. For example, between the time that an eligible taxpayer files their return and the time that Treasury attempts to transfer the Saver's Match to the taxpayer's preferred account, it is possible that the destination plan will change its recordkeeper. Thus, if the tracking number somehow incorporates the identity of the recordkeeper into its formula, this approach could create issues when the plan's former recordkeeper identified to Treasury via the tracking number does not match the plan's current recordkeeper.

We ask that Treasury review this issue and develop a solution to address it. Our preferred approach for addressing this would be for Treasury to issue guidance permitting a former plan recordkeeper to "forward" Saver's Match contributions to a new plan recordkeeper, similar to how trailing dividends are handled today as part of routine recordkeeper transitions/conversions. This would keep day-to-day error processing and adjustments with industry providers, who can generally resolve them more quickly than a centralized government mapping process. As an alternative option, Treasury could, when issuing a new tracking number to a recordkeeper and plan, capture any tracking numbers that had previously been associated with the registering plan. So, even if a participant entered an outdated tracking number, Treasury would know to send Saver's Match contributions to the plan's new tracking number.

Some SPARK members have, however, raised concerns about a Saver's Match tracking number system that embeds or reflects the identity of the recordkeeper directly into the tracking number. These members have indicated that there might be benefits to having a single Saver's Match tracking number that remains constant over the life of the plan. If this were the case, for example, a plan could permanently report the same tracking number on statements, SPDs, and other plan materials, without ever having to change in response to a recordkeeper transition. Conversely, if the plan tracking number changes each time that the recordkeeper changes, this would not be possible.

Because both approaches have pros and cons, we suggest that Treasury consider the benefits of a tracking number system in which a plan's tracking number remains constant over the life of a plan. Under such an approach, the number shared with participants could remain static and any corresponding recordkeeper and account information could be updated as part of the information Treasury collects as part of its anticipated registration process.

Recordkeepers Have Multiple Accounts. In designing the anticipated tracking number system, we also urge Treasury to be mindful of the fact that plan service providers and IRA providers generally do not have a single omnibus account that can accept and process Saver's Match contributions that are associated with all of their clients and customers. Providers have various business lines and affiliates serving different market segments, which receive contributions. Accordingly, any tracking number system must be flexible enough to transfer Saver's Match contributions to multiple accounts that may be associated with a single service provider. In order to make the system work, it appears that any bank account information associated with a tracking number must be specifically associated with the particular plan, IRA product, or IRA; not the recordkeeper or financial services company that is servicing many different plans and accounts that may register to receive the Saver's Match.

Unregistering. Because participation in the Saver's Match program is optional, we request that Treasury provide guidance addressing how a plan may "unregister" from any registration system used to implement the Saver's Match.

Employers with Multiple Plans. The SPARK Institute requests guidance clarifying how employers with multiple plans may report the Saver's Match tracking number on the Form W-2. Specifically, we are requesting guidance clarifying that, if an employer sponsors multiple plans that accept the Saver's Match, the employer may report on the Form W-2 the tracking number for any plan in which the taxpayer is an eligible participant.

MEPs and PEPs. The SPARK Institute requests guidance clarifying how the Saver's Match tracking number will work in the context of multiple employer plans ("MEPs") and pooled employer plans ("PEPs"). For example, in the case of a MEP or PEP, will the Saver's Match tracking number be associated with the overall plan or the portion of the plan that is attributable to a particular employer? And if an employer merges its plan into a MEP or PEP, will this trigger a new tracking number? Similarly, what happens to the tracking number if the employer spins off its portion of a MEP or PEP to a single employer plan?

Multi-Vendor 403(b) Plans. The SPARK Institute requests guidance addressing how the tracking number will work in the context of multi-vendor 403(b) plans where a single 403(b) plan may have multiple investment providers – some that accept the Saver's Match and some that do not. On this topic, Treasury should expressly clarify that, when reporting the Saver's Match tracking number on the Form W-2, employers may report the tracking number associated with any plan investment provider who has registered to accept Saver's Match deposits.

Coordination with DOL. According to the Department of Labor's ("DOL's") safe-harbor regulation for payroll IRAs and non-ERISA 403(b) plans, such a program facilitated by an employer will not be treated as an ERISA-covered pension plan provided that, among other conditions, the employer operates the program "without endorsement."[1] The SPARK Institute requests that Treasury and DOL coordinate to issue guidance expressly clarifying that an employer does not "endorse" a particular IRA or 403(b) provider by reporting the Saver's Match tracking number associated with such provider on the Form W-2.

Another issue raised by a SPARK member is the potential liability arising out of a plan sponsor's or recordkeeper's facilitation of Saver's Match deposits, such as activities relating to plan registration, ongoing maintenance of such registration, the handling of erroneous contributions, and any participation in the anticipated batch-verification process. We ask that Treasury coordinate with DOL to issue guidance providing comfort to fiduciaries who may be concerned that their participation in the Saver's Match program could create fiduciary liability. For example, DOL could expressly clarify that a plan sponsor will not violate its fiduciary duties when accepting or rejecting a Saver's Match deposit as long as they take commercially reasonable steps to check plan records and respond to Treasury without undue delay.

B. Conduit IRAs

In General. As noted earlier in this letter, the SPARK Institute supports the anticipated guidance that would send Saver's Match deposits to retirement plans and Roth IRAs via a conduit IRA. In further developing this concept, however, SPARK strongly urges Treasury to develop a system in which any transfers made via a conduit IRA do not cause any funds to be held in the conduit IRA any longer than necessary. Getting funds immediately from the conduit IRA to the taxpayer's preferred destination will be an essential feature for ensuring that Saver's Match contributions are actually connected to eligible taxpayers. Delays in processing will make it less likely that the transfer reaches the account specified by an eligible taxpayer. Additionally, it would be concerning if any Saver's Match contributions unnecessarily remained in a conduit IRA that does not align with the participant's investment preferences.

We understand that Treasury's current thinking on the conduit IRA approach is that a conduit IRA would not be established until a batch verification process has confirmed the destination plan and provider are ready to accept the Saver's Match. We strongly support this approach for the reasons noted.

[1] 29 C.F.R. 2510.3-2(d)(1)(iii).

Roth Conversions. As noted earlier in this letter, the SPARK Institute supports Treasury's anticipated process for directing the deposit of a Saver's Match into a Roth IRA through a conduit traditional IRA. While we support this overall approach, we also recognize that a Roth conversion may create unexpected tax consequences for individuals that direct their Saver's Match to a Roth IRA. Accordingly, SPARK recommends that Treasury take steps to ensure that taxpayers designating Roth IRAs as the destination account for a Saver's Match are clearly informed and educated about how that decision will impact their individual tax situation.

C. Corrections

The SPARK Institute appreciates the preliminary guidance in Notice 2026-48 indicating how certain corrections should be made for erroneous Saver's Match contributions. As Treasury works to develop more detailed guidance on this topic, we offer the following recommendations:

- ***Proactive Corrections.*** Notice 2026-48 provides preliminary guidance on how participants and plans should correct erroneous Saver's Match contributions when a participant is notified by Treasury that they have received an erroneous Saver's Match contribution. However, aside from this circumstance, we also believe that there will be many instances in which a participant or plan will recognize the receipt of an erroneous Saver's Match contribution before they have been notified by Treasury. Accordingly, SPARK requests that Treasury issue guidance specifically addressing these types of corrections.

  To the extent possible, we also recommend that any such guidance avoid corrections that require individuals or plans to return funds to Treasury. For example, consider a situation in which a Saver's Match contribution is mistakenly sent to a plan for a participant who has left the plan between the time that they filed their taxes and the Saver's Match is deposited. In this circumstance, to the extent possible, SPARK encourages correction procedures authorizing the participant's former plan to send the erroneous Saver's Match contribution directly to the participant's new plan or IRA.

- ***Corrections Following Treasury Notification.*** As we understand Treasury's current thinking on the Saver's Match, all Saver's Match transfers to retirement plans will be made via a conduit IRA and the special tax rules applicable to Saver's Match contributions would not carry over to a retirement plan that accepts these transfers. Accordingly, we understand that plans generally will not be required to track, report, or otherwise administer these deposits subject to the special tax rules that would otherwise apply to Saver's Match contributions.

  However, notwithstanding this anticipated treatment, the correction procedures described in Q&A, H-2 of Notice 2026-48 anticipate that a participant who receives an erroneous Saver's Match contribution should request a distribution of such contribution from the plan. Would these correction procedures be an exception to the rule that generally prevents the special tax rules for Saver's Matches carrying over to a plan?

D. Batch Verification

As noted earlier in this letter, the SPARK Institute supports the batch verification process that Treasury officials previewed during a meeting with stakeholders on August 21, 2026. As this process is further developed, the SPARK Institute requests guidance addressing how Treasury will handle attempted Saver's Match deposits that are rejected by a plan or its service provider. For example, consider an individual who has left a plan between the time they reported the Saver's Match tracking number on their tax filing and the time that Treasury attempts to send the funds to the plan designated by the participant.

In this scenario, taxpayers should be given a chance to direct the payment of a Saver's Match to a retirement plan or IRA that will accept the payment. And if the taxpayer does not provide appropriate directions within a reasonable period of time, Treasury should pay the Saver's Match directly to the taxpayer and treat the payment as having not been made to an applicable retirement savings vehicle in accordance with Code section 6433(f)(4)(A).[2]

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The SPARK Institute appreciates the opportunity to provide these comments. If you have any questions or would like more information regarding this letter, please contact the SPARK Institute's outside counsel, Michael Hadley (mlhadley@davis-harman.com) or Adam McMahon (armcmahon@davis-harman.com), Davis & Harman LLP.

Sincerely,



Tim Rouse
Executive Director

[2] Code section 6433(f)(4)(A) states that: "If any contribution is erroneously paid under subsection (a)(2), including a payment that is not made to an applicable retirement savings vehicle, the amount of such erroneous payment shall be treated as an underpayment of tax (other than for purposes of part II of subchapter A of chapter 68) for the taxable year in which the Secretary determines the payment is erroneous."

Appendix

Proposal: Unique Routing Number Structure for Saver's Match Contributions

Prepared for: U.S. Department of the Treasury and SPARK Institute Member Firms
Date: July 24, 2026 (Revised August 4, 2026)

1. Purpose

This proposal recommends a standardized structure for the unique routing number that taxpayers will enter on their tax returns to direct Saver's Match contributions to the correct recordkeeper and plan. The design prioritizes:

- Reliable matching by Treasury systems
- Ease of use for taxpayers and tax preparation software
- Operational practicality for recordkeepers with differing internal plan numbering systems
- Clear linkage to the underlying bank routing and account information held by Treasury
- Scalability for large recordkeepers that may have thousands of plans, only some of which will elect to accept Saver's Match contributions (and will do so on staggered timelines)
- Flexibility for recordkeepers to propose preferred identifiers while preserving system-wide uniqueness
- Clean handling of plan transitions between recordkeepers

2. Recommended Format

Structure: [Recordkeeper Code][Plan Type][Plan ID][Check Digit]

Examples:

- RKCA01-4829154-7
- RKCB02-13904723-3
- Compact version (no separators): RKCA0148291547

Separators (hyphens) are optional for display and taxpayer entry but should be stripped by systems during processing.

Target length: 12–16 characters total (including optional separators).

Note on Plan Type: The Plan Type characters may be retained as a distinct field for clarity and operational convenience, or the information may be embedded within the Plan ID (or maintained only in Treasury's backend table) if a shorter visible routing number is preferred. Either approach is workable.

Note on Recordkeeper Code: As noted in our letter, some SPARK members believe it might be better if the tracking number is not associated with a particular recordkeeper, i.e., that the tracking number is "portable" for the plan. Our recommended file format includes a Code for this, but we appreciate that Treasury may decide to go in another direction.

3. Component Definitions

Recordkeeper Code (3–4 alphanumeric characters)

Unique identifier for the recordkeeper, IRA provider or service provider. The recordkeeper may propose a preferred code (similar to selecting an available username). Treasury validates uniqueness and has final authority to approve or assign the code.

Plan Type (1–2 characters)

Standardized code indicating the type of retirement plan. Fixed codes defined by Treasury. This field may be kept visible in the routing number or stored only in Treasury's backend systems if length reduction is prioritized.

Suggested Plan Type Codes (illustrative):

- 01 = 401(k)
- 02 = 403(b)
- 03 = Governmental 457(b)
- 04 = IRA (Traditional)
- 05 = IRA (Roth)
- 06 = Solo / Individual 401(k)
- 07 = Other qualified plan

Additional codes can be added as needed.

Plan ID (7 characters)

Unique identifier for the specific plan under the current recordkeeper. Assigned or approved by Treasury during plan registration. Independent of the recordkeeper's internal plan numbering system so that Treasury does not have to interpret each firm's native conventions. A 7-character ID provides ample capacity even for the largest recordkeepers.

As noted above, we have suggested that the tracking number is unique to each recordkeeper, and thus Plan IDs are not portable across recordkeepers. However, another option would be to have this Code unique to the plan.

Check Digit (1 character)

Error-detection digit calculated using a standard algorithm (e.g., Mod 10) based on the preceding characters.

Character Set Restriction

To minimize taxpayer transcription errors and system misreads, the allowed character set should exclude commonly confused characters (for example, the letter O and the number 0; the letters I and L and the number 1). A restricted alphabet (such as a form of Crockford's Base32 or an equivalent clear set) is recommended for both the Recordkeeper Code and Plan ID portions.

4. How the Routing Number Is Established (Registration Process)

Registration occurs at the plan level, not the recordkeeper level. Only those plans whose sponsors have decided to accept Saver's Match contributions are registered. Large recordkeepers

with thousands of plans are not required to register their entire book of business at once; plans may be added over time as sponsors elect to participate.

Step-by-step process:

1. Recordkeeper Registration

Recordkeepers that wish to accept Saver's Match contributions first register with Treasury (or an authorized agent). The recordkeeper may propose a preferred Recordkeeper Code. Treasury validates that the code is unique and available, then approves or assigns it.

2. Plan Registration (Individual or Batch)

When a plan sponsor decides to accept Saver's Match contributions and the plan is operationally ready, the recordkeeper submits a registration request for that specific plan. To support efficiency, especially for large recordkeepers, the process must accommodate batch submissions (and ideally API submissions). A single batch file or API call may contain dozens or hundreds of plans.

Each plan record in the submission includes:

- Recordkeeper Code
- Plan name and basic identifying information
- Plan Type code
- Confirmation of readiness
- Bank routing number and account information for deposits
- Any other data elements required by Treasury

3. Issuance of Unique Routing Number

Treasury processes the submission (individual or batch), assigns or approves a unique Plan ID for each approved plan, generates the full routing number (including check digit), and returns the results to the recordkeeper. Error handling should occur at the individual plan level so that one rejected plan does not cause the entire batch to fail.

4. Activation by the Recordkeeper

Upon receipt of the routing number, the recordkeeper activates it in its systems and makes it available for participant communication and W-2 / EFW2 reporting.

5. Ongoing Maintenance and Recordkeeper Changes

Recordkeepers must notify Treasury of material changes (plan termination, change in bank account details, etc.).

Residual contributions that arrive under a retired routing number during a transition are expected to be handled primarily by the outgoing and incoming recordkeepers under their commercial transition/deconversion arrangements (forwarding or correcting as needed). This keeps day-to-day error processing and adjustments with industry providers, who can generally resolve them more quickly than a centralized government mapping process. Treasury's role remains focused on issuing and retiring routing numbers and maintaining the current active directory.

This plan-by-plan approach with batch capability allows staggered adoption, keeps administrative burden manageable, and ensures that only ready plans appear in Treasury's directory.

5. How the Routing Number Is Used

1. Communication to the Taxpayer — The unique routing number is provided to the participant (most commonly via the W-2, and potentially on participant statements or portals).

2. Tax Filing — When the taxpayer files their return (electronically or on paper), they enter the routing number in the designated field. Tax preparation software can validate format and check digit in real time and, where possible, present the eligible retirement account without requiring the taxpayer to re-enter the number.

3. Treasury Processing — Treasury systems use the routing number to look up the corresponding recordkeeper, plan, and the pre-registered bank routing number + account information.

4. Contribution Delivery — Treasury directs the Saver's Match contribution via conduit IRA to the correct recordkeeper/plan using the stored bank details. The recordkeeper performs its normal Good Order / validation checks before depositing the funds into the participant's account.

5. Fallback & Error Handling — Invalid or unrecognized routing numbers trigger defined exception processes (rejection, holding, or authorized secondary matching).

6. Key Supporting Rules and Considerations

- Uniqueness — Each active routing number maps to one and only one recordkeeper + plan combination.
- Readiness Gate — Routing numbers are issued only after the plan confirms it can accept and properly process Saver's Match contributions.
- Staggered Adoption — Recordkeepers may register plans over time as sponsors elect to participate. There is no requirement to register all plans simultaneously.
- Batch & API Support — The registration process should support efficient batch file uploads and/or API submissions to accommodate large recordkeepers.
- Flexible Code Selection — Recordkeepers may propose preferred Recordkeeper Codes (subject to Treasury approval for uniqueness). Plan IDs are assigned or approved by Treasury to remain independent of each firm's internal numbering.
- Restricted Character Set — Ambiguous characters (e.g., O/0, I/L/1) should be excluded from the allowed alphabet to reduce entry and processing errors.
- Non-W-2 Workers — A separate process or alternative delivery method for the routing number will be needed for business owners, partners, and other non-W-2 covered individuals.
- Data Security — The routing number itself contains no sensitive taxpayer information. All bank account details remain solely within Treasury's secured systems.
- Validation — Tax software and Treasury systems should apply consistent format, character-set, and check-digit validation.

7. Benefits of This Approach

- Accommodates recordkeepers with widely different internal plan numbering systems.

- Supports staggered, plan-by-plan adoption rather than forcing enterprise-wide registration.
- Enables efficient batch (or API) registration for firms with large numbers of plans.
- Gives recordkeepers meaningful input into their Recordkeeper Code while preserving system-wide uniqueness under Treasury oversight.
- Produces a consistent, relatively short identifier that is practical for both electronic and paper tax filing.
- Creates a clean, auditable link between the number entered by the taxpayer and the ultimate deposit destination.
- Places residual contribution handling with industry providers, who can resolve exceptions more quickly than a centralized government process.
- Supports future expansion (additional plan types, new recordkeepers, or related programs).
- Reduces transcription risk through a restricted character set and optional check digit.

This revised proposal incorporates feedback on flexibility of code assignment, potential shortening of the visible routing number, character-set restrictions, and the handling of recordkeeper changes. It is submitted for further discussion and refinement and does not represent a final industry or government position.