



IRS updates model 402(f) rollover notices for SECURE 2.0

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[Notice 2026-13](#) updates IRS's model rollover notices ("402(f) notices") for retirement plan participants and beneficiaries receiving "eligible rollover distributions" from a qualified retirement plan, 403(b) plan or eligible 457(b) plan maintained by a governmental employer. The latest updates to the model notices reflect certain law changes made by the SECURE 2.0 Act of 2022 ([Div. T of Pub. L. No. 117-328](#)) and additional recommendations from the Government Accountability Office (GAO) to improve the notices.

Updates for SECURE 2.0

The model 402(f) notices have been updated for the following SECURE 2.0 changes:

- New exceptions to the 10% penalty tax on withdrawals before age 59-1/2 (e.g., for emergency personal expenses, for qualified disaster recovery distributions, to victims of domestic abuse, and to individuals with a terminal illness)
- The increase in the age for determining required beginning dates for required minimum distributions (RMDs)
- Changes to the RMD rules for surviving spouses
- The elimination of RMDs from Roth accounts in employer-sponsored plans
- The increase to \$7,000 (from \$5,000) in the dollar threshold for involuntary small cashouts
- The special treatment of payments from pension-linked emergency savings accounts under the Roth account distribution rules

- Changes to the rules for distributions from governmental plans to retired or disabled public safety workers to pay for health and long-term care insurance

Models don't reflect SECURE 2.0 changes not yet in effect. The updated model notices don't reflect SECURE 2.0 changes that haven't taken effect yet, including the law's new Saver's Match contribution and the provision excluding from income certain disability-related payments to first responders (both provisions take effect after 2026). IRS anticipates updating the models again once these provisions take effect.

GAO recommendations

The updated model notices include changes that GAO [recommended](#) to Treasury in January 2024 and in a [report](#) to Congress later that year analyzing the effectiveness of 402(f) notices. The report recommended the notice include clearer and more concise language to help participants understand their distribution options.

GAO's report also addressed the timing requirements for providing 402(f) notices. A plan administrator generally must provide the notice within a reasonable period of time before an eligible rollover distribution. Under current rules, this requirement is satisfied if the notice is provided 30-180 days before the date of the distribution, but administrators can provide the notice sooner. GAO recommended that administrators provide the 402(f) notice upon a participant's termination of employment and then a summary of the notice within the 30-to-180-day timeframe (with the full notice available a second time on request). Although Treasury and IRS currently lack the statutory authority to require this, Notice 2026-13 encourages plan administrators to implement the recommendation.

Using the model notices

Like past updates, Notice 2026-13 includes two model safe harbor explanations: one for distributions that are [not from a designated Roth account](#) and one for distributions [from a designated Roth account](#). Plans can use the new models immediately but must update them for any law changes taking effect after Jan. 15, 2026. Plan administrators can customize the notices, and Treasury and IRS encourage administrators to omit any information that doesn't apply to their plan. Administrators can also forgo the models and write their own explanations, as long as they contain all required information and are written in a manner designed to be easily understood by recipients.

Related resources

Non-Mercer resources

- [Notice 2026-13](#) (IRS, Jan. 15, 2026)
- [News release](#) (IRS, Jan. 15, 2026)
- [401\(k\) Retirement plan tax notices: federal actions can help participants understand their distribution options](#) (GAO, May 22, 2024)
- [401\(k\) Plans: Additional Federal Actions Would Help Participants Track And Consolidate Their Retirement Savings](#) (GAO, Jan. 18, 2024)

Mercer Law & Policy resources

- [User's guide to SECURE 2.0](#) (regularly updated)
- [IRS finalizes SECURE 1.0 RMD rule changes, proposes 2.0 changes](#) (Aug. 16, 2024)
- [IRS releases Q&As on two new SECURE 2.0 distributions](#) (June 25, 2024)
- [IRS gives guidance on SECURE 2.0's terminal illness distributions](#) (March 20, 2024)
- [DOL, IRS issue guidance on DC plan emergency savings accounts](#) (March 8, 2024)
- [SECURE 2.0 offers new alternative for in-plan emergency savings](#) (July 7, 2023)
- [Taking a closer look at SECURE 2.0's penalty-free distribution provisions](#) (March 13, 2023)
- [SECURE 2.0 brings more changes to required minimum distribution rules](#) (Feb. 8, 2023)

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