



October 22, 2026

VIA ELECTRONIC SUBMISSION

Internal Revenue Service
Attn: CC:PA:01:PR (Notice 2026-49)
Room 5503
P.O. Box 7604
Ben Franklin Station
Washington, D.C. 20044

Re: Treasury/IRS Notice 2026-49: Guidance on Section 324 of the SECURE 2.0 Act with Respect to Rollovers

To Whom It May Concern:

The Securities Industry Financial Markets Association (“SIFMA”)¹ supports the goal of Notice 2026-49 to standardize and expedite rollovers to eligible retirement plans and trustee-to-trustee transfers of individual retirement plans, as directed by Section 324 of the SECURE 2.0 Act. The notice represents an important step toward modernizing the rollover process and reducing unnecessary friction that can discourage retirement savings preservation.

We strongly support the overall direction the notice has taken in developing standardized rollover procedures. As recognized in the notice, the current rollover process often relies on paper-based documentation and manual processing. Modernization of the rollover ecosystem has the potential to reduce processing delays, improve participant experience, decrease operational costs, and help keep retirement assets within the retirement system. SIFMA supports further advancement of electronic rollovers using a standardized model, while protecting retirement assets from fraud and financial exploitation. SIFMA also recommends appropriate transition time to implement a significant industry-wide solution for rollover modernization.

¹SIFMA is the leading trade association for broker-dealers, investment banks and asset managers operating in the U.S. and global capital markets. On behalf of our industry's one million employees, we advocate on legislation, regulation and business policy affecting retail and institutional investors, equity and fixed income markets and related products and services. We serve as an industry coordinating body to promote fair and orderly markets, informed regulatory compliance, and efficient market operations and resiliency. We also provide a forum for industry policy and professional development. SIFMA, with offices in New York and Washington, D.C., is the U.S. regional member of the Global Financial Markets Association (GFMA).

Benefits of Looking to a Standardized Model

We encourage Treasury to consider a centralized and digital framework to support electronic processing of rollovers as the industry standard. While standardized forms are helpful, the greatest efficiencies will ultimately come from promoting structured secure electronic data exchange and electronic transfer of assets among distributing and receiving institutions. Electronic rollovers can provide significant benefits for both participants and the industry, including:

- Faster and more predictable processing times;
- Reduced risk of lost, delayed, or misdirected checks;
- Lower administrative burdens for plan sponsors, recordkeepers, and financial institutions over time;
- Improved participant experience; and
- Greater ability to maintain accurate records and audit trails.

A framework specifically addressing unique data requirements for qualified plan rollovers, such as spousal consent, will be required. Treasury should continue working with industry stakeholders to encourage interoperable electronic standards and straight-through processing wherever feasible. Such efforts would advance Congress's objective of simplifying and expediting rollover transactions while reducing administrative complexity.

As electronic processing expands, however, it is essential that modernization efforts be accompanied by appropriate protections against fraud, scams, identity theft, and financial exploitation. Retirement accounts often represent an individual's largest financial asset outside of a home, making them attractive targets for fraudsters. Accordingly, moving toward increased electronic processing should preserve flexibility for institutions to employ reasonable fraud protection measures. Treasury should explicitly recognize that institutions may implement risk-based controls and verification procedures beyond the minimum requirements of the model forms when necessary to protect participants and plan assets. We believe the right balance between modernization and fraud protection can be found and SIFMA looks forward to working with Treasury and other stakeholders to achieve this goal.

A Potential Model for Industry-Wide Electronic Systems Upgrades

Overview of ACATS

We believe the Automated Customer Account Transfer Service (ACATS) is a potential model for Treasury to review in considering the best path forward.² ACATS³ is an electronic system operated by the National Securities Clearing Corporation (NSCC), a subsidiary of the Depository Trust & Clearing Corporation (DTCC), that automates and standardizes the transfer of customer accounts from one brokerage firm or bank to another in the United States. ACATS enables efficient, low-cost transfers while reducing settlement risks for customers and firms. DTCC's infrastructure underpins ACATS through an electronic messaging network that enables real-time data exchange between participants.

² If the IRS chooses to adopt a central utility model, the industry believes that DTCC is well-positioned to provide an automated service that would help facilitate smooth implementation via an automated rollover solution. SIFMA has conducted preliminary exploratory discussions with DTCC on this topic.

³ [ACATS User Guide](#)

Historical Development⁴

The Automated Customer Account Transfer Service (ACATS) originated in the 1980s amid increasing complexity in U.S. securities markets, where manual account transfers between brokerage firms often took weeks or months, leading to inefficiencies and errors. The SEC was receiving thousands of customer complaints related to the transfer process. As a result, firms began working on how to address these concerns and in 1985, the National Securities Clearing Corporation (NSCC) launched a pilot of ACATS to automate and standardize the transfer of assets in a customer account between Broker/Dealers, Banks, Trust Companies and Mutual Fund firms. ACATS was officially launched in 1986 and immediately began shortening cycle times.

A key milestone came in 1993 with the introduction of the ACATS-Fund/SERV Interface, which linked ACATS to NSCC's mutual fund processing system, automating the transfer and re-registration of book-share mutual fund assets. This integration quadrupled mutual fund share transfers that year to 181 million shares valued at \$1.78 billion, enhancing efficiency for broker-dealers handling investment products.⁵ In the 2000s, ACATS expanded to support insurance-linked accounts through the 2001 launch of the ACATS/IPS (Insurance Processing Services) interface, enabling synchronized transfers of insurance assets like annuities alongside brokerage holdings between firms and carriers.

Following the 2008 financial crisis, ACATS saw enhancements focused on risk management and operational resilience, including improved settlement processes to align with heightened regulatory scrutiny on clearing and transfer stability. These updates were part of NSCC's broader post-crisis reforms to mitigate systemic risks in account transfers. Evolution drivers included adapting to shorter settlement cycles, from the longstanding T+3 standard to T+2 in 2017 and T+1 in May 2024, which necessitated optimizations like cycle reductions to maintain timely processing.

ACATS Processing⁶

ACATS is the industry-standard system used to transfer brokerage accounts and assets between financial institutions. ACATS provides a standardized and highly automated process designed to reduce manual effort, improve accuracy, and facilitate the efficient movement of customer assets between firms. Recent industry enhancements have further streamlined the process by eliminating a settlement preparation day, reducing overall transfer timelines.

Most standard full account transfers are completed in four or fewer business days, although timing may vary based on asset types, registration requirements, transfer exceptions, or other complexities.

Key Benefits of ACATS

- Standardized process across the brokerage industry.
- Highly automated to reduce manual handling and operational risk.
- Defined processing timelines that promote timely transfers.
- Transparency and visibility for both firms throughout the transfer lifecycle.
- Efficient movement of assets while maintaining appropriate controls and review checkpoints.

⁴ [ACATS Overview Part 1 Transcript](#) (registration may be required)

⁵ [1993_0101_NSCCAR.pdf](#)

⁶ [ACATS User Guide](#)

Standard ACATS Transfer Process

1. Transfer Request Submitted - The receiving firm submits the customer's account transfer request through ACATS.
2. Transfer Validated - The delivering firm reviews the request and either validates the transfer or identifies any issues that must be resolved.
3. Assets Reviewed - Both firms review the assets and account information to confirm the transfer details are accurate.
4. Transfer Prepared for Completion - Any required registration instructions for assets such as mutual funds, annuities, or alternative investments are submitted, and the transfer is finalized for settlement.
5. Assets Transferred - Assets are electronically transferred from the delivering firm to the receiving firm, completing the account transfer.

ACATS Regulatory Framework

The Securities and Exchange Commission (SEC) oversees ACATS through rules designed to protect customer assets and ensure efficient market operations, such as Rule 15c3-3 (the Customer Protection Rule).⁷ The Financial Industry Regulatory Authority (FINRA) establishes practical guidelines for member firms to ensure adherence to ACATS, focusing on standardized procedures, timely processing, and resolution mechanisms. FINRA Rule 11870 (the Customer Account Transfer Contracts Rule)⁸ governs the transfer of customer securities accounts between brokerage firms, mandating that both carrying and receiving members expedite all authorized transfers using ACATS where possible to minimize delays. Member firms bear specific compliance obligations under FINRA rules to support reliable ACATS operations, including the establishment and enforcement of written supervisory procedures designed to comply with securities laws and FINRA regulations for all account transfers.

Transition Period Required

When considering a change of this magnitude to the operating system, it will be important for Treasury to ensure sufficient time for all parties to prepare for it. Conditions similar to those that led to the development of ACATS in the 1980s exist today with respect to rollovers, which will require a similar amount of time to transition. ACATS provides significant advantages to customers by streamlining the process of moving brokerage accounts, typically completing transfers in four or fewer business days compared to one month or more for manual processes. This accelerated timeline reduces the paperwork burden on individuals, as the system automates the handling of securities, cash, and other holdings without requiring customers to manually liquidate or resubmit documents. ACATS helps mitigate market risk, ensuring assets remain invested and exposed to potential gains rather than sitting idle. For financial institutions, ACATS's standardized transfer procedures across brokerage firms and banks lead to lower operational costs through automation and reduced manual processing.

⁷ [SEA Rule 15c3-3](#)

⁸ [11870. Customer Account Transfer Contracts | FINRA.org](#)

The transition to a fully electronic system similar to ACATS will require significant operational, technological, and compliance investments, as recognized in Notice 2026-49. Financial institutions, recordkeepers, plan administrators, IRA providers, and service providers will need sufficient time to:

- Design and build new systems;
- Develop communication protocols and data standards;
- Update compliance procedures and controls;
- Conduct testing and quality assurance;
- Train personnel; and
- Coordinate implementation across a diverse marketplace of institutions.

We urge Treasury to work with industry stakeholders to encourage adoption of a standardized process and support an implementation plan that includes transition considerations. Transition rules would promote orderly implementation, reduce operational risk, and help ensure that participants continue to experience reliable service during the transition from paper-based to electronic processing. Such a transition also would provide time for the adoption of fraud-prevention controls tailored to electronic transactions. We recommend a minimum transition period of three years.

SIFMA looks forward to working with Treasury to develop the plans and transition rules necessary to make movement toward an electronic rollover system successful.

Conclusion

SIFMA supports the goal of implementing secure electronic rollover processing, provided that appropriate safeguards remain in place to protect retirement savers from fraud and financial exploitation. We also recommend an implementation plan and transition rules to promote orderly implementation and tailored fraud-prevention controls. We look forward to working with Treasury to achieve these goals.

Please do not hesitate to contact us at lbleier@sifma.org or nswift@sifma.org if you have any questions.

Sincerely,



Lisa J. Bleier

Head – Wealth Management, Retirement and State Government Affairs



Nicole Swift

Vice President, Retirement Policy