

employee plans news

PROTECTING RETIREMENT BENEFITS THROUGH EDUCATING CUSTOMERS

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Tax Exempt and Government
Entities Division

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EP Connections: Interview with Joseph Grant

Joseph Grant is the new IRS Director, Employee Plans. Prior to his selection, he was the Director of EP Rulings & Agreements. Prior to joining the IRS, Mr. Grant was with the PBGC where he served as Deputy Executive Director and Chief Operating Officer from 1996 to 2005. Before the PBGC, he served on the professional staff of the Committee on Ways and Means from 1984 to 1994 analyzing issues relating to pensions, Social Security, and Federal borrowing and debt management. During this time he was involved in the drafting and passage of the Single Employer Pension Protection Act of 1986, the Pension Protection Act of 1987, and the Retirement Protection Act of 1994. He also served on the personal staff of Rep. J. J. Pickle (D-Texas) from 1982 to 1984. Mr. Grant graduated from the University of Texas at Austin and received his Juris Doctor from the University of Texas School of Law.

As the new Director, what challenges and opportunities do you see facing IRS Employee Plans this fiscal year?

I see three main challenges - increasing compliance through a greater audit presence; providing guidance to the public with respect to the Pension Protection Act of 2006; and improving the quality and efficiency of service that EP provides by processing cash balance plans held in suspense, successfully implementing the staggered determination program and eliminating the backlog in voluntary compliance. These are not small challenges and meeting them will not be easy. But, by working in partnership with the public, we can succeed. I firmly believe that the key to efficiently achieving outstanding results is to provide all stakeholders with timely, accurate, responsive service.

What impact will the Pension Protection Act of 2006 have on the level of service and ensuring compliance?

Timely implementation of the Pension Protection Act is an enormous challenge. The Act is over 900 pages in length and affects every aspect of the private pension system. Working with the Treasury Department and the Chief Counsel's Office we have held meetings with representatives from across the private retirement plan community to identify those areas that are of critical importance to you, and to understand the timeframes that you work under. We meet daily to develop the guidance that you and EP need to meet our respective responsibilities. We have already issued guidance in several areas affecting interest rates, Indian tribal governments, and airlines. In a number of areas we will be seeking formal public comment, and I urge you to share with us your views on the issues most critical to you.

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How important are the determination letter submission procedures for individually designed plans (as outlined in Revenue Procedure 2005-66 on Staggered Remedial Amendment Cycles) to providing timely, accurate and responsive service?

Successfully implementing the new staggered determination process is critical to EP's success in every other area. In the past, when new legislation such as the Pension Protection Act of 2006 was enacted, requests for determination letters flooded into EP, creating massive backlogs. To address the backlogs we pulled agents out of our exam program. This caused delays in exams and dramatically reduced our audit presence, creating opportunities for people to abuse the private retirement system. Even with this additional help from EP Exam it still took us years to complete processing these determination letter backlogs. The new staggered determination letter system should provide more predictability to this whole process. While it is true that plans are now being asked to come in on a schedule with their determination letter requests rather than filing whenever they wish, it is also true that EP is now expected to process these applications on a schedule so that plan sponsors will no longer have to wait for a year or more with no idea as to when to expect a result. Ultimately we intend to process most determination letter requests within 120 days of their receipt. However, doing so will require cooperation from all involved. It was our expectation that plan sponsors would file their requests throughout the year in each of the five annual application cycles. It appears that plan sponsors are waiting to the end of the cycle to submit their applications. This will create a mini-backlog. Providing timely service in this situation is costly and inefficient.

Can you tell us why an increased EP audit presence is so vital?

There are few areas in life where maintaining the public trust is more important than in encouraging people to save for their retirement. With the shift from defined benefit to defined contribution plans maintaining that trust is more critical than ever. When the public reads about pension plans that are underfunded by billions of dollars, or that money withheld from workers' paychecks has been improperly diverted from their plan, or that plans can be structured so that the tax incentives are going almost exclusively to a few insiders, then they lose faith in the entire program. It is difficult enough as it is to persuade people to save for their own retirement. If they lose faith in the integrity of the system it will be even harder, and that would be a tragedy for all of us. Maintaining a strong, aggressive audit presence demonstrates our commitment to the integrity of the entire system and protects everyone from those who seek unfair advantage by engaging in abusive tax avoidance transactions and other outright fraud. Of course, we know that the vast majority of plans are well run and their participants' interests are properly protected. But with trillions of dollars in qualified plans we also know that the temptation for abuse will always be there. As Willie Sutton once replied, when asked why he robbed banks, "Because that's where the money is."

Breaking News

Interim guidance on cash balance plans published in [Notice 2007-6](#). IRS to begin processing suspended cash balance plan conversion cases. See [News Release](#).

Without increased staffing, what efforts are underway that will improve the service that is provided to the public?

We have undertaken a number of initiatives that should make us more administratively efficient. In the area of examinations we will be taking advantage of "data mining" techniques to improve the way we select cases for audit. We are also using a focused exam approach to concentrate on areas of concern. Both these approaches should allow us to increase the compliance effect of the exams we close while minimizing the administrative time and cost for both us and the public. I have already addressed the critical role that the staggered determination program is playing in improving the efficiency and quality of service we are delivering. We are also investing in information technology systems so that EP employees will have ready access to the information they need to more timely and accurately complete their work.

All I Want for Christmas is Some Pension Protection Act Guidance

The ink is dry on the Pension Protection Act of 2006 (PPA). Now the elves in the IRS have sharpened their pencils and are busy, busy, busy writing guidance on provisions of the Act. Like Santa on Christmas Eve, they have made their priority list and checked it twice. Five items of guidance with respect to the PPA have been checked off to date:

- [Notice 2006-75](#) furnishes taxpayers with certain interest rate assumptions required by PPA.
- [Announcement 2006-70](#) addresses the alternative funding schedules of the PPA for a defined benefit plan (other than a multiemployer plan) that is sponsored by an employer that is a commercial passenger airline or whose principal business is providing catering services to a commercial passenger airline.
- [Notice 2006-105](#) pertains to an election to make an alternative deficit reduction contribution to a defined benefit plan of a commercial passenger airline.
- [Notice 2006-107](#) describes the requirement of certain defined contribution plans that hold publicly traded stock of the employers of those plans to permit the diversification out of those securities.
- [Notice 2006-89](#) pertains to the retirement plans of certain Indian tribal governments.

All but the first item were coordinated with the Employee Benefits Security Administration of the DOL and/or the PBGC.

In addition, proposed new or revised schedules to the 2008 Form 5500 were [published](#) jointly by the Service, the DOL, and the PBGC for comment in the *Federal Register* at 71 Fed. Reg. 71562 (Dec. 11, 2006). (See the *DOL Corner* on page 12).

Finally, it is anticipated that a notice addressing various distribution provisions that are effective in 2007 or earlier may be issued before the end of 2006. The sections of the PPA that may be addressed relate to:

- interest rate assumptions for lump sum distributions
- hardship distributions
- early distributions to public safety employees
- rollovers to nonspouse beneficiaries
- distributions to pay for certain insurance for public safety officers
- vesting of nonelective contributions
- the notice and consent period for distributions
- distributions from IRAs to charitable organizations.

See the next article in this edition of the *Employee Plans News* for information on special rules regarding amending plans for the provisions of the Pension Protection Act of 2006 that are effective in 2007 or earlier.

Other IRS elves have been busy developing a [new web page](#) on the PPA to add to our Retirement Plans Community web pages. Check it out for additional information on the law and to keep tabs on subsequent guidance. •



The 2006 Cumulative List and PPA

The IRS has recently released the 2006 Cumulative List ([Notice 2007-3](#)). It is to be used primarily by:

- 1) plan sponsors of individually designed plans (where the last digit of the employer identification number is 2 or 7) and multiple employer plans eligible for Cycle B and
- 2) plan sponsors and practitioners of defined benefit pre-approved plans when drafting their plans for their first submission under the remedial amendment cycle outlined in Rev. Proc. 2005-66.

The submission period for the initial five-year remedial cycle (Cycle B) for individually designed plans and multiple employer plans begins February 1, 2007 and ends January 31, 2008. In addition, the Service will start accepting opinion and advisory letter applications for defined benefit pre-approved plans beginning on February 1, 2007. The submission period for non-mass submitter sponsors and practitioners, word-for-word identical adopters and M&P minor modifier placeholder applications ends January 31, 2008. The submission period for mass-submitters and national sponsors ends October 31, 2007.

The 2006 Cumulative List also contains special rules for the provisions of the Pension Protection Act of 2006 (PPA) that are effective in 2007 or earlier. Plan sponsors and practitioners of defined benefit pre-approved plans are required to amend their plans to reflect the applicable PPA provisions. Plan sponsors for individually designed plans and multiple employer plans have the option to amend their plans to include PPA provisions. Individually designed plans and multiple employer plans must identify which PPA provisions the plan has been amended to include when submitting the determination letter application. However, the Service will not consider PPA in issuing determination letters for individually designed plans and multiple employer plans and such letters cannot be relied on with respect to PPA, regardless of whether the plan has been amended to reflect PPA provisions.

Terminating plans must reflect all law that is in effect at the time of termination, including applicable PPA provisions. •

How to Subscribe to *Employee Plans News*

The *Employee Plans News* is issued only through IRS e-mail. For your free subscription, please go to the [Retirement Plans Community web page](#) and subscribe on-line by selecting "Newsletters" under "Retirement Plans Community Topics." All editions of the *Employee Plans News* are archived there.

For your convenience, we have included Internet links to referenced materials throughout the *Employee Plans News*. These links are identified by blue and underlined text. •

Safe Harbor Notice Reminder

Employers with calendar-year safe harbor 401(k) plans are required to give employees a written notice within a reasonable period before the beginning of each plan year of their rights and obligations under the plan. The regulations under section 401(k) provide that the timing requirement for the notice is deemed satisfied if the notice is given at least 30 days but no more than 90 days before the beginning of each plan year.

The regulations also provide that certain information otherwise required to be contained in the safe harbor notice can instead be cross-referenced to the relevant portions of the plan's summary plan description that is currently available to employees. However, a description of the plan's withdrawal and vesting provisions applicable to contributions under the plan may not be cross-referenced to a summary plan description. This is a change: For plan years beginning before 2007, a safe harbor 401(k) plan notice could have cross-referenced the plan's summary plan description for the plan's withdrawal and vesting provisions.

So, for plan years beginning after December 31, 2006, a safe harbor notice must include a description of the plan's withdrawal and vesting provisions applicable to contributions under the plan (merely cross-referencing to the relevant portions of a summary plan description is not sufficient). •

Critical FewPoints...by Director, EP Examinations

Editor's Note: Betty McClernan is Acting Director, EP Examinations, until a new director is selected. Michael Julianelle, the former director, has reported to his new position as Director, Government Entities. EP Examinations will continue to share its Critical FewPoints in this edition and future editions of the Employee Plans News.

Though IRS Employee Plans is undergoing changes in its senior leadership, our efforts these past years to focus our limited resources and attention to what we call the "Critical Few" priorities/goals in our Examination Program remains unchanged. We recognize the importance to the Retirement Plans Community of a reasonable and vigorous EP Examination Program.

For FY 2007, we will focus on three "Critical Few" priorities/goals as follows:

- Expand Compliance Contacts
- Research & Analysis
- Focused Examinations

Let's outline some details on each of the FY 2007 Critical Few:

First, **Expand Compliance Contacts** includes effectively dealing with abusive schemes, increasing the number of returns examined, identifying new tax avoidance schemes, expanding contacts from the EP Compliance Unit (EPCU), working new projects (such as risk-based targeted exams) and completing specialty work (such as EP Team Audits).

Second, **Research & Analysis** is key in making certain that the most appropriate plans are selected for enforcement. We will more effectively use our data and develop projects through analysis performed by representatives from EP Examinations Planning and Programs, the Data Analysis Unit and the EPCU. One effort is what we will call LESE, which stands for **L**earn, **E**ducate, **S**elf-Correct and **E**nforce. LESE cases are quick projects where returns selected for examination contain matters of interest based on a particular issue.

Third, **Focused Examinations** started in FY 2006 will continue due to the favorable results in using the technique to work our examination cases. This is also the proper way to conduct an examination. The focus is on non-compliant taxpayers in order to produce efficient examinations by identifying more productive issues before assignment and concentrating on pre-audit, initial interview, internal controls and examining key issues. Thus, this approach saves compliant taxpayers time and money. Using this technique, agents can still perform a quality examination, determine if the issues warrant further investigation, and close the case in a more timely manner.

Check out the [FY 2007 EP Work Plan](#) on the Retirement Plans Community web page for more details on the EP Examination Program. •



2006: Looking Back

Another year filled with retirement plan news. The President signed into the law the most sweeping pension legislation in over 30 years guaranteeing a future of even more retirement plan news.

So...without further ado...here is our month-by-month look at some of the highlights of 2006, retirement-style:

January:

[Proposed regulations](#) on designated Roth accounts providing guidance on the taxation of distributions from designated Roth accounts and other related issues are released. [Final Roth section 401\(k\) regulations](#) are published in the *Federal Register*.

The [401\(k\) Resource Guide](#) is added to the Retirement Plans Community web page.

February:

The IRS begins accepting applications for determination letters for Cycle A defined contribution and defined benefit individually designed plans.

March:

Employee Plans announces an [extended time](#) - to December 31, 2006 - for employers to update their SIMPLE IRA plans for the provisions of EGTRRA. (See related article on page 19).

TE/GE Commissioner, Steven T. Miller, speaks at the inaugural Benefits Conference of the South on efforts to increase IRS enforcement in the EP community.

May:

The updated revenue procedure ([RP 2006-27](#)) for the Employee Plans Compliance Resolution System (EPCRS) is released. In conjunction with its issuance, EP introduces a new and improved Corrections page on the Retirement Plans Community web page under the new title of "[Correcting Plan Errors](#)."

The President signs the Heroes Earned Retirement Opportunities Act (P.L. 109-227) and the Tax Increase Prevention and Reconciliation Act of 2005 (P.L. 109 -222) into law.

June:

Henry Paulsen is confirmed as Secretary of Treasury.

The 2006 IRS Nationwide Tax Forums open in Anaheim, CA. EP topics are "[Roth 401\(k\) and Tips](#)" and "[Accessing Money from a Retirement Plan](#)." By the time the Forums are over in August, there are an estimated 15,000 attendees.

July:

The increased [user fees](#) for opinion and advisory letter applications and determination letter applications involving Forms 5300, 5307 and 5310 goes into effect.

August:

The [Pension Protection Act of 2006](#) (P.L. 109-280) is signed into law.

The IRS [announces](#) that the final regulations under section 403(b) will generally not be effective earlier than January 1, 2008.

September:

Carol Gold, Director, Employee Plans retires. Joseph Grant, Director, Employee Plans Rulings & Agreements is announced as her replacement.

Employee Plans releases its [FY 2007 Work Plan](#).

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October:

Andrew Zuckerman is announced as the new Director of EP Rulings & Agreements.

EP announces the [COLAs](#) for 2007 retirement plan limits.

November:

EP releases [Notice 2006-105](#) which describes an election of an alternative deficit reduction contribution under section 402(i) of PPA and [Notice 2006-107](#) which describes section 901 of PPA, gives certain transition relief, requests comments and gives a model notice for use.

December:

Eric Solomon is confirmed as Assistant Secretary for Tax Policy at the Department of the Treasury.

Proposed 2008 revisions to the Form 5500 series return are published in the *Federal Register* for comment.

EP releases the 2006 Cumulative List (Notice 2007-3). •

**CONTACTING
EMPLOYEE PLANS**

The *Employee Plans News* welcomes your **comments about this issue** and/or your **suggestions for future articles**.

Send comments/suggestions to:

EP Customer Education & Outreach
SE:T:EP:CEO
1111 Constitution Avenue, N W, PE-4C3
Washington, D.C. 20224

or Fax (202) 283-9525

or E-Mail
RetirementPlanComments@irs.gov

For **EP Taxpayer Assistance:**

For retirement plans technical and procedural questions:

Please call (877) 829-5500

Or visit the Contact EP/Services section of the [Retirement Plans Community web page](#).

For questions relating to retirement income, IRAs, Roth IRAs, educational IRAs, medical savings accounts and section 125 cafeteria plans:

Please call (800) 829-1040

For further **Employee Plans Information:** Go to the [Retirement Plans Community web page](#). •

EGTRRA List of Master and Prototype and Volume Submitter Defined Contribution Plans is Posted!!

The EGTRRA List of Master and Prototype (M&P) and Volume Submitter (VS) Defined Contribution plans is now available on the [IRS web site](#).

This list contains the M&P and VS defined contribution plans that were submitted to the IRS for EGTRRA opinion or advisory letters by January 31, 2006, the deadline for filing under Revenue Procedure 2005-16. This list can assist employers in determining the expiration of their EGTRRA remedial amendment period.

The information included in the list is: sponsor/practitioner name, city, state, file folder number (FFN), plan type and letter serial number (LSN) and date. Please note that virtually all of the opinion and advisory letters will be issued at the same time, thus when initially issued, the list will not contain any LSNs or dates.

The Pre-Approved Plans Program Coordinator is asking that all sponsors/practitioners review this list to make sure the information is correct with regard to their plan(s). Any necessary changes should be directed to each of the following individuals via e-mail:

Angelo Noe, Pre-Approved Plans Program Coordinator
Angelo.C.Noel@irs.gov

Milo Atlas, Special Assistant to Pre-Approved Plans Program Coordinator
Milo.S.Atlas@irs.gov

Dan Jones, Manager, Pre-Approved Plans
Daniel.R.Jones@irs.gov •

Web Spins - The Retirement Plans Site

We're back: **Web Spins** - the column that takes you for a quick spin around the **Retirement Plans Community web page**.

Refreshed Left-Hand Navigational Toolbar - To provide easier navigation of our web page we have modified the Left-Hand Navigational Toolbar of the [Retirement Plans Community web page](#). We added a link to EP FAQs and have combined EP Forms/Pubs/Products and Contact EP/Services into one page each for one-stop shopping.

Two New Additions - *New Examinations Communication Tools*: The [Employee Plan Audit Efficiency Guide](#) was developed by a team of practitioners and Employee Plans managers and is meant to improve the communication between the IRS examiner and the taxpayer. The guide is completed jointly by the agent and the taxpayer.

[Top Ten Tips to Prepare for an Efficient Audit](#) provides the plan sponsor with ways to prepare for an examination of its plan and trust. Each tip comes with detailed explanations to assist the plan sponsor in getting the necessary items ready for the examination.

More FAQs - In September we posted FAQs on [Hardship Distributions](#) and [Loans](#), in October we added [FAQs on Plan Investments](#). These are located in the EP compilation of [Frequently Asked Questions \(FAQs\)](#) - check them all out!

As always, give it a spin and let us know what you think. •

The Corner of Forms & Pubs

Welcome back to *The Corner of Forms & Pubs* - the EP version of Hollywood & Vine. The information here at the Corner is brief and topics needing further details will get their own full-length articles, as is done with the breaking news on the Form 5500 elsewhere in this edition (page 14).

New Publications

- [Publication 3066](#), *Have you had your Check-up this year? for 401(k) Retirement Plans* is an educational brochure that provides the roadmap to help employers maintain their 401(k) plans and initiate corrective actions, if necessary.
- [Publication 4547](#), *Have you had your Check-up this year? for 403(b) Retirement Plans* is an educational brochure designed to inform and encourage employers to perform a periodic "check-up" of their 403(b) plans through the use of the *403(b) Plan Checklist*, and how to initiate corrective actions, if necessary.
- [Publication 4546](#), *403(b) Plan Checklist* is directed at the public educational institution or charitable organization and is designed to help them identify possible operational problems within their specific 403(b) plan. It is to be used in conjunction with the above-mentioned Publication 4547. It is the fifth in the series of checklists that we've created over the past few years.

All three of these new publications (along with checklists for [401\(k\) plans](#), [SIMPLE IRAs](#), [SEPs](#), and [SARSEPs](#)) are available on the [Retirement Plans Community web page](#) by clicking on "EP Forms/Pubs/Products" under the "Retirement Plans Community Topics" or by calling (800)TAX-FORM (829-3676).

New Joint-Agency Publication

Once again, we've partnered with the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) to create a new plain-language brochure. *Payroll Deduction IRAs for Small Businesses* is directed at small business owners who want to help their employees save for retirement. The publication is available on the Internet at www.dol.gov/ebsa. •

PBGC Insights

New Audit Initiative in Standard Terminations



As part of a new enforcement initiative, the PBGC now audits all plans that distribute plan assets in satisfaction of plan benefits before or without filing a standard termination notice (Form 500) in accordance with PBGC's regulations ([29 CFR part 4041](#)). (The PBGC also reserves the right to take any other appropriate action in such circumstances). A single-employer plan insured by the PBGC that has sufficient assets to provide all plan benefits may be voluntarily terminated in a standard termination only by complying with these regulations. Among other requirements, the plan must issue certain notices to all affected parties and to the PBGC. The plan administrator may proceed with the distribution of plan assets only if the PBGC does not issue a notice of noncompliance during its 60-day review period. (This new initiative will not affect plans that in the normal course of administration pay out all benefits due all participants except substantial owners of the sponsoring company.)

Revisions to Technical Update 06-4

On September 28, 2006, the PBGC revised [Technical Update 06-4, Use of Corporate Bond Rate for Certain PBGC Purposes](#): to (1) make some minor clarifying changes and (2) provide guidance on how the PBGC will apply [Technical Update 96-7, Waiver for Small Employer Reporting of Missed Quarterly Contributions](#) in light of the Pension Protection Act of 2006 (PPA) repeal of ERISA section 4011 (Notice to Participants) for plan years beginning after December 31, 2006. The PBGC originally issued Technical Update 06-4 on August 30, 2006, to explain how the provisions of the PPA relating to the PBGC's required interest rate for determining variable-rate premiums apply to certain PBGC requirements (in particular, reporting and disclosure requirements).

Mortality Assumptions

On December 14, 2006, the PBGC published in the *Federal Register* a [direct final rule](#) updating the missing participant mortality assumptions under part 4050 of the PBGC's regulations to conform to amendments made to part 4044 (Allocation of Assets in Single-employer Plans), which were published in the *Federal Register* on December 2, 2005. The rule also makes a minor conforming amendment to the mortality assumptions in part 4281 (Duties of Plan Sponsor Following Mass Withdrawal). The rule will become effective on February 27, 2007, unless the PBGC receives significant adverse comment by January 16, 2007.

Premium Penalty Policy Final Rule

On November 17, 2006, the PBGC published a [final rule on premium penalty policy](#). The rule adopts policy guidance on premium penalty waivers, including guidance on the meaning of "reasonable cause" for premium penalty waivers. The effective date of the rule is December 18, 2006.

Mandatory Premium E-Filing

All premium filings for plan years beginning on or after January 1, 2007, must be electronically filed via the PBGC's web-based application called My Plan Administration Account ([My PAA](#)). This requirement applies to all filings for all plans regardless of size - estimated and final filings, including both original and amended filings. This will complete the second phase of PBGC's implementation of mandatory e-filing. Since July 1, 2006, large plans (those with 500 or more participants in the prior year) have been required to electronically file all their premium filings for plan years beginning on or after January 1, 2006.

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Premium E-Filing Tips

- **Learn How Premium E-Filing Works** - Review information on the PBGC's web site to familiarize yourself with how My PAA works. Some of the highlights include checklists to help you get started, answers to frequently asked questions and online demonstrations of the e-filing methods. We also suggest that you attend one of the My PAA webcasts that will be held during 2007 (in February, September, and October).
- **Decide How a Plan Will E-File** - My PAA offers three electronic filing options to meet the varying business requirements of premium filers and allows payments to be made within My PAA (ACH, e-check, credit card) or outside of My PAA (ACH, Fedwire, check). The plan administrator/sponsor and the preparer of the filing should reach agreement early on about how the e-filing will be done and who will be the plan's filing coordinator (who will perform the administrative tasks within My PAA).
- **Start Early** - The filing coordinator should set up the plan's e-filing team (including backups) as soon as possible. Each person who will be involved with e-filing will need to establish an account (i.e., a user ID and password) that will be used for all plans, filings, and e-filing tasks.

Premium Changes for Plan Year 2007

- **Flat-Rate Premiums** - For multiemployer plans, the rate remains unchanged at \$8.00 per participant. For single-employer plans, the rate will increase from \$30.00 to \$31.00 per participant.
- **Variable-Rate Premium Cap** - The variable-rate premium is capped for certain plans of small employers, with 25 or fewer employees. The per-participant cap is \$5 times the number of plan participants. This per-participant cap is then multiplied by the number of participants. Thus, the variable-rate premium cap for the plan as a whole is \$5 times the square of the participant count.

Visit the PBGC's Web Site: www.pbgc.gov. For detailed information about premium e-filing or to set up a My PAA account, go to the PBGC's web site, select "Practitioners" and then "Online Premium Filing (My PAA)." For more information about the premium changes for plan year 2007 or to sign-up for future webcasts, click on the link "What's New" on the Practitioners page. •

Use of Electronic Media for Providing Employee Benefit Notices and Making Employee Benefit Elections and Consents

Final regulations have been issued setting forth standards for electronic systems that make use of an electronic medium to provide notices to recipients, or make participant elections or consents, with respect to retirement plans, employee benefit arrangements, or individual retirement plans. Generally, these regulations apply to applicable notices provided, and participant elections made, on or after January 1, 2007.

Note: These final regulations reflect the applicable provisions of the Electronic Signatures in Global and National Commerce Act (E-SIGN), Public Law 106-229, as it relates to the electronic delivery of notices. E-SIGN generally provides that electronic records and signatures are given the same legal effect as their paper counterparts.

Use of Electronic Media for Providing Employee Benefit Notices and Making Employee Benefit Elections and Consents *continued from page 10*

These regulations apply to any notice, election, or similar communication provided to or made by a participant/individual or beneficiary in the following:

- a section 401(a) plan;
- a section 403(a) plan;
- a section 403(b) plan;
- a simplified employee pension (SEP) under section 408(k);
- a SIMPLE plan under section 408(p);
- an eligible governmental plan under section 457(b); and
- an individual retirement plan, including a Roth IRA under section 408A or a deemed IRA under section 408(q).

Under E-SIGN, before the required information can be provided or made available electronically, a participant must first affirmatively consent to receive the information electronically and the consent must be made in a manner that reasonably demonstrates the participant's ability to access the information in electronic form.

Prior to consenting, the participant must receive a disclosure statement that outlines:

- the hardware or software requirements for access to, and retention of, the electronic records;
- the scope of the consent;
- the participant's right to withdraw his or her consent to receive the communication electronically (including any conditions, consequences, or fees in the event of the withdrawal); and
- the right to receive the communication using paper and any fees imposed for receiving paper.

The electronic system used to provide a notice or to make an election must be reasonably designed to:

- provide the information in a manner no less understandable than if provided on a written paper document and
- alert the recipient, at the time the applicable notice is provided, to the significance of the information in the notice (including the identification of the subject matter of the notice), and provide any instructions needed to access the notice, in a manner that is as readily understandable and accessible as if provided using a written paper document.

If an electronic record of an applicable notice or a participant election is not maintained in a form that is capable of being retained and accurately reproduced for later reference, then the legal effect, validity, or enforceability of such electronic record may be denied.

Two methods are permitted to provide an applicable notice to a recipient through the use of an electronic medium:

1. Using an electronic medium after the recipient consents to the electronic delivery of the notice (the consumer consent method).
2. Using electronic systems that satisfy the standards in the 2000 regulations (the alternative method).•

DOL Corner

The Department of Labor's Employee Benefits Security Administration (DOL/EBSA) announced new guidance, relief and tools to assist plan sponsors and practitioners in complying with ERISA. You can subscribe to DOL/EBSA's web site homepage, as well as the Compliance Assistance page, for notice of updates posted on the web site.

Form 5500 Annual Report for 2008

On December 11, DOL/EBSA, the IRS and the PBGC published a *Federal Register* notice of proposed supplemental revisions to the 2008 Form 5500.



Pension and welfare benefit plans required to file an annual return/report regarding any financial condition, investments and operations each year generally satisfied that requirement by filing the Form 5500, *Annual Return/Report of Employee Benefit Plan* and any required attachments.

The proposed revisions implement amendments to the annual reporting and pension funding requirements of ERISA and the Internal Revenue Code enacted as part of the Pension Protection Act (PPA). The proposal supplements a more general revision of the 2008 Form 5500 proposed by the agencies in July 2006. The supplemental proposal would replace the Schedule B, *Actuarial Information* filed by defined benefit pension plans with separate actuarial schedules for multiemployer plans and single employer plans.

The supplemental proposal also would add questions to the Schedule R, *Retirement Plan Information* to collect new information on defined benefit pension plans required under the PPA. Finally, the supplemental proposal would establish the Form 5500-SF, which was part of the agencies' July 2006 proposal, as the simplified report required by PPA for plans with fewer than 25 participants. These proposed revisions would be effective for 2008 plan year filings.

Comments on the proposed supplemental form revisions are due by January 10, 2007 and may be submitted electronically by e-mail to e-ori@dol.gov or through www.regulations.gov. Comments also may be submitted to the Office of Regulations and Interpretations, Employee Benefits Security Administration, Room N-5669, U.S. Department of Labor, 200 Constitution Avenue, NW, Washington, DC 20210, Attn: Supplemental Forms Revisions.

The *Federal Register* notice and the three schedules noted above are available on DOL/EBSA's web site.

Investment Advice Exemptions

On December 4, DOL/EBSA published in the *Federal Register* two Requests For Information (RFI) to assist in implementing the investment advice statutory exemption under the PPA relating to 401(k)-type plans and individual retirement accounts (IRAs).

The PPA amended ERISA by adding a new prohibited transaction exemption that allows greater flexibility for investment advisers to give advice to participants of 401(k) plans and IRAs.

One of the ways in which investment advice may be given under the exemption is through the use of an unbiased computer model. The computer model must be certified by an independent expert under rules to be prescribed by DOL/EBSA. The [RFI on investment advice for 401\(k\)-type plans](#) solicits information to assist DOL/EBSA in determining what expertise and procedures may be needed to qualify an expert to certify a computer model under the exemption. The PPA also requires DOL/EBSA to issue a model notice on fee disclosures related to advice. To aid in issuing this notice, the RFI also solicits information on the types of fee disclosure materials currently used and their usefulness to plan participants.

continued on page 13

The [RFI on investment advice for IRAs](#) will assist DOL/EBSA in fulfilling its obligation under the PPA to assess the feasibility of using computer models to provide advice to IRA participants. The PPA requires DOL/EBSA to solicit information from at least the top 50 IRA trustees and other entities offering computer model investment advice programs.

Written comments on the RFIs should be addressed to the Office of Regulations and Interpretations, Employee Benefits Security Administration, Room N-5669, U.S. Department of Labor, 200 Constitution Avenue, NW, Washington, DC 20210, Attention: 401(k) Plan Investment Advice RFI or IRA Investment Advice RFI, as appropriate. Comments may also be submitted electronically by e-mail to e-ori@dol.gov (for the 401(k) Plan Investment Advice RFI) or e-oed@dol.gov (for the IRA Investment Advice RFI), or through www.regulations.gov.

Model Notice for Multiemployer Plan Election

On December 1, DOL/EBSA published in the *Federal Register* a [model notice](#) that may be used by employee benefit plans that elect to be treated as a multiemployer plan under ERISA.

The PPA amended ERISA to permit certain plans that elected to be single-employer plans to revoke that election and allows other plans to elect to be treated as multiemployer plans provided that notice of the election is furnished to participants and other interested parties no later than 30 days before the election. The notice must describe, among other things, the principal differences between ERISA's guarantee programs and benefit restrictions for single-employer and multiemployer plans.

Plan administrators may use the model notice to fulfill their notice obligations when making an election. Elections must be made with the PBGC within one year after the enactment of the PPA.

Securities Lending

On October 31, DOL/EBSA published in the *Federal Register* a final class exemption expanding the opportunities for securities lending between employee benefit retirement plans, banks and broker-dealers.

The exemption, which consolidates two existing class exemptions, provides conditions to safeguard the assets of plans involved in securities lending transactions. The updated requirements will permit retirement plans to earn additional income by lending securities from their portfolios to a greater universe of permissible borrowers.

Under the exemption, the categories of permissible borrowers have been expanded to include broker-dealers and banks of the United Kingdom, Canada and certain other foreign broker-dealers and banks. In addition, the types of collateral that may be offered to plans for securities lending transactions have been broadened to include negotiable certificates of deposits payable in the United States, mortgage backed securities, the British pound, the Canadian dollar, the Swiss franc, Japanese yen, the Euro, securities issues by Multilateral Development Banks, rated foreign sovereign debt and irrevocable letters of credit issued by certain foreign banks. If the plan's U.S. domiciled lending agent agrees to indemnify the plan against losses resulting from a borrower's default, the final exemption permits a plan to accept any other type of collateral currently permitted by the Securities and Exchange Commission under Rule 15c3-3 of the Securities Exchange Act of 1934.

ERISA gives DOL/EBSA authority to grant an exemption from the law's prohibited transaction provisions. DOL/EBSA grants class exemptions when it determines that the exemption is in the interest and protective of the rights of benefit plan participants and beneficiaries.

The [final exemption](#) revokes and replaces Prohibited Transaction Exemptions 81-6 and 82-63.

Default Investment Alternatives for Participant-Directed Plans

On September 27, DOL/EBSA published in the *Federal Register* a proposed rule to make it easier for fiduciaries of 401(k) and other participant-directed defined contribution plans to adopt automatic enrollment design features. The proposed rule is the first major regulation resulting from the PPA.

The proposal implements provisions of the PPA to provide relief to plan fiduciaries who invest the assets of participants in “qualified default investment alternatives” in the absence of participant investment direction (including through plans that have automatic enrollment plan features). Default investment alternatives under the proposed regulation are intended to encourage the investment of employee assets in appropriate investment vehicles for long-term retirement savings.

A [fact sheet on the proposed rule](#) and the [proposed rule](#) are available on DOL/EBSA's web site. The [public comments](#) also are available online.

Upcoming Compliance Assistance Events

Fiduciary Education Seminars: February 8 in Saddle Brook, New Jersey

Visit DOL/EBSA's web site at www.dol.gov/ebsa for registration brochures for these seminars and for the announcement of additional seminars around the country. •

Pension Legislation Impacts Form 5500

The recently enacted Pension Protection Act of 2006 (PPA) has had an impact on the Form 5500 and its instructions for 2006. If you downloaded the *2006 Instructions for Form 5500* or the *2006 Instructions for Schedule B (Form 5500)*, before December 13, 2006, you may need to download them again.

PPA changed the interest rate used in calculating a plan's current liability. In addition, PPA provides funding relief for certain defined benefit plans (other than multiemployer plans) maintained by a commercial passenger airline or by an employer whose principal business is providing catering services to a commercial passenger airline. This provision allows eligible plans to be funded using an alternative funding schedule based on 17-year amortization of unfunded liabilities as long as an appropriate election is made (in accordance with IRS Announcement 2006-70, 2006-40 I.R.B. 629) and the plan is subject to certain restrictions on accruals.

The revised versions of the [2006 Instructions for Form 5500](#) and the [2006 Instructions for Schedule B \(Form 5500\)](#), including detailed descriptions, are now available for download. Hardcopies of the instructions will be available by December 31, 2006. •

Form
5500

Interim and Discretionary Amendments for 2006

The general deadline for timely adoption of an interim or discretionary amendment can be found in section 5.05 of Rev. Proc. 2005-66, 2005-37 I.R.B. 509. For a disqualifying provision or a provision that is integral to a disqualifying provision, an interim amendment must be adopted by the later of (1) the due date (including extensions) for filing the income tax return for the employer's taxable year that includes the date on which the remedial amendment period begins¹ or (2) the last day of the plan year that includes the date on which the remedial amendment period begins. A discretionary amendment must be adopted by the end of the plan year in which the plan amendment is effective.

Section III of Notice 2005-95, 2005-51 I.R.B. 1172 provides that the general timing rules to adopt a plan amendment described in section 5.05 of Rev. Proc. 2005-66 do not apply if a statutory provision or guidance issued by the Service provides an earlier or later date than the deadline set forth in Rev. Proc. 2005-66.

This list of interim and discretionary amendments for 2006 is based on the 2005 Cumulative List, which is to be used primarily by plan sponsors of individually designed plans that fall in Cycle A (i.e., the last digit of the plan sponsor's employer identification number is 1 or 6). The Service began accepting applications for Cycle A on February 1, 2006. The 12-month submission period for individually designed plans ends January 31, 2007.

§ 401(a)(31)(B) Automatic Rollover [Required]: The deadline to adopt this plan amendment is the later of (1) December 31, 2005, (2) the end of the plan year that contains March 28, 2005, or (3) *the tax filing deadline for the employer's tax year containing March 28, 2005* (emphasis added). See Notice 2005-5 and Notice 2005-95.

Final Regulations under § 401(k) & § 401(m):

There are a number of items in the final regulations under § 401(k) and § 401(m) that are optional, for example: designated Roth contributions; the additional safe harbor hardship criteria relating to funeral expenses and certain expenses for repair of damage to the employee's principal residence; and, for purposes of the actual deferral percentage (ADP) test and actual contribution percentage (ACP) test, the aggregation of an employee stock ownership plan (ESOP) and a non-ESOP.

There are provisions in the final regulations that may not require a plan amendment, depending on the provisions currently in the plan. They include the following:

Targeted qualified nonelective contributions (QNECs) - The final regulations restrict the use of targeted QNECs to pass the ADP test, sometimes referred to as "bottom-up leveling." A plan is generally prohibited from counting QNECs for purposes of the ADP test to the extent that QNECs are more than double the QNECs at least half the other nonhighly compensated employees (NHCEs) receive, when expressed as a percentage of compensation. A plan amendment is required if the plan's formula for allocating QNECs does not satisfy the new rules.

¹ The remedial amendment period begins on the date on which the change becomes effective with respect to the plan or, in the case of a provision that is integral to a qualification requirement that has been changed, the first day on which the plan is operated in accordance with the provisions as amended.

Interim and Discretionary Amendments for 2006 *continued from page 15*

Targeted matching contributions - The final regulations under § 401(m) provide parallel restrictions on QNECs taken into account in ACP testing and also provide a rule restricting the use of targeted matching contributions. A plan amendment is required if the plan's formula for allocating QNECs or matching contributions does not satisfy the new rules.

Gap period income - A corrective distribution used to satisfy the ADP and ACP tests must include gap period income (income for the period after the close of the plan year and prior to distribution), but only if gap period income would be allocated to the employee. This is required only if the plan does not currently provide for it. Section 902(e)(3) of the Pension Protection Act of 2006 (PPA '06), eliminates the gap period income rule for excess contributions and excess aggregate contributions, effective for plan years beginning in 2008.

The proposed regulations under § 402(g) provide that the gap period income needs to be included in the distribution to the extent the employee is or would be credited with allocable gain or loss on those excess deferrals for that period, if the total amount were to be distributed. This gap period income rule applies to both pre-tax excess deferrals and excess deferrals that are designated Roth contributions. An amendment is required only if the plan does not provide for such distribution of gap period earnings. This gap period income rule continues to apply even after the 2008 elimination of the rule for excess contributions and excess aggregate contributions under § 902(e)(3) of PPA '06.

In order to obtain a hardship distribution, among other requirements, a participant in an ESOP § 401(k) plan must obtain ESOP dividends currently available under the plan. If a plan does not currently comply with this rule, an amendment is required.

If a highly compensated employee (HCE) participates in two or more CODAs of the employer that have different plan years, all elective deferrals made during the plan year under all such arrangements will be aggregated. If a plan contains a different rule for HCE aggregation, an amendment is required.

Hurricane Katrina Amendment [Optional]: Pursuant to Announcement 2005-70, a plan that does not provide for loans or hardship distributions must be amended no later than the end of the first plan year beginning after December 31, 2005 to include loan or hardship language in the plan.

Medical Reimbursement Account [Required, if deficient language present]: A profit-sharing plan or stock bonus plan will not fail to be qualified under § 401(a) for plan years beginning on or before August 15, 2005, merely because the plan provides for a separate medical reimbursement account for each participant and for the amounts in the participant's medical reimbursement account to be only used to reimburse the participant for any substantiated expenses for medical care provided that (i) the plan (including the provisions of the plan relating to the medical reimbursement accounts) is the subject of a favorable determination letter (or in the case of a pre-approved plan, a favorable advisory or opinion letter) issued before August 15, 2005, and (ii) the plan is amended effective on the first day of the first plan year beginning after August 15, 2005, to provide the amounts in each participant's medical reimbursement account are available for distribution under the same terms as amounts held in the participant's other accounts under the plan. See Rev. Rul. 2005-55.

Note regarding § 415(b)(2)(E)(ii): The Pension Funding Equity Act of (PFEA) amended § 415(b)(2)(E)(ii), applicable for plan years beginning in 2004 and 2005. Under § 101(c) of PFEA, the deadline to amend plans to comply with the changes to § 415(b)(2)(E)(ii) was the last day of the first plan year beginning on or after January 1, 2006. However, § 301(c) of PPA '06 extended the deadline to amend plans to comply to the last day of the first plan year beginning on or after January 1, 2008. •

Employee Plans Published Guidance

(October 2006 – December 2006)

Regulations

[T.D. 9294, 71 Fed. Reg. 61877](#)

This regulation sets forth standards for electronic systems that make use of an electronic medium to provide a notice to recipient, or to make a participant election or consent, with respect to a retirement plan, an employee benefit arrangement, or an individual retirement plan.

[T.D. 9032, 71 Fed. Reg. 76134](#)

These final regulations, which are applicable for plan years beginning on or after January 1, 2006, pertain to section 409(p) of the Code and address various issues under that section.

Revenue Rulings

[Rev. Rul. 2006-60, 2006-48 I.R.B. 977](#)

This revenue ruling contains the 2007 covered compensation tables.

Notices

[Notice 2006-89, 2006-43 I.R.B. 772](#)

This notice describes section 906 of the Pension Protection Act of 2006, gives certain transition relief and requests comments.

[Notice 2006-98, 2006-46 I.R.B. 906](#)

This notice contains the cost-of-living adjustments pursuant to section 415(d) for pension plans, etc., for 2007.

[Notice 2006-105, 2006-50 I.R.B. 1114](#)

This notice describes an election of an alternative deficit reduction contribution under section 402(i) of the Pension Protection Act.

[Notice 2006-107, 2006-51 I.R.B. 1093](#)

This notice describes section 901 of the Pension Protection Act of 2006, gives certain transition relief, requests comments and gives a model notice for use.

[Notice 2007-3, 2007-2 I.R.B.](#)

This notice contains the 2006 Cumulative List of Changes in Plan Qualification Requirements (the 2006 Cumulative List) described in section 4 of Rev. Proc. 2005-66, 2005-2 C.B. 509.

Announcements

[Announcement 2006-70, 2006-40 I.R.B. 629](#)

This announcement describes an alternative funding schedule and provides a form to make an election under section 402(a)(1) of the Pension Protection Act of 2006.

Setting Up IRA Accounts for Plan Participants

Customers have brought to our attention the following issues:

1. Plan sponsors wonder how to set up IRAs for automatic rollovers of participants' accounts pursuant to § 657 of the Economic Growth and Tax Relief Reconciliation Act of 2001 ("EGTRRA").

Note: Section 657 of EGTRRA amended § 401(a)(31)(B) of the Code to require that mandatory distributions of more than \$1,000 from a plan qualified under § 401(a) be paid in a direct rollover to an IRA.

2. Plan sponsors/administrators of terminated plans have been told that they cannot set up IRAs for the account balances of missing participants.

These plan sponsors/administrators have encountered banks that will not establish IRAs without the participant's signature indicating that they are following the rules of the Customer Identification Program ("CIP") of the USA Patriot Act (P.L. 107-56). The CIP rules are at 31 C.F.R. § 103.121. The federal agencies that drafted these regulations have issued [frequently asked questions](#) ("FAQs") regarding the application of the CIP rules. Question 4 of the FAQs provides relief for plans complying with the automatic rollover rules and for terminating plans.

FAQ #4 provides in part:

Thus, in light of the requirements imposed on the plan administrator under EGTRRA, as well as the requirements in connection with plan terminations, the former employee will not be deemed to have "opened a new account" for purposes of the CIP rule until he or she contacts the bank to assert an ownership interest over the funds, at which time a bank will be required to implement its CIP with respect to the former employee.

This interpretation applies only to (1) transfers of funds as required under section 657(c) of EGTRRA, and (2) transfers to banks by administrators of terminated plans in the name of participants that they have been unable to locate, or who have been notified of termination but have not responded, and should not be construed to apply to any other transfer of funds that may constitute opening an account. •

News for Retirement Plan Sponsors

Available for your - or your clients' - pleasure: the other member of the *Employee Plans News* family of newsletters, the *Retirement News for Employers*.

The *Retirement News for Employers* is filled with retirement plan news and articles designed primarily for many of your clients: members of the small business community. Subscribership to the *RNE* continues to grow. So act now; don't delay: join the thousands of satisfied subscribers who have signed up for the *Retirement News for Employers*.

The [Fall 2006 Edition](#) featured stories on such topics as:

- Provisions of the Pension Protection Act of 2006 Effective in 2007;
- The Fix is In: Common Plan Mistakes - "[Correction for Exclusion of Employees for Elective Contributions or After-Tax Employee Contributions](#)" and
- The latest "Timing is Everything" flyer - 2007 Contribution Limitations and Retirement Saver's Credit.

It's easy to subscribe: Just go to the [Retirement Plans Community web page](#), select "Newsletters," and click on "Retirement News for Employers." •

SIMPLE IRA Relief for EGTRRA Set to End December 31, 2006

Employee Plans examinations of SIMPLE IRA plans revealed that many of these plans were not in compliance with EGTRRA provisions that were enacted in 2001. It was found that plan sponsors were not updating their SIMPLE IRA plans by adopting an IRS model plan with a March 2002 or later revision date or amending their financial institution sponsored prototype plan as required in [Revenue Procedure 2002-10](#). In late 2005, the Director of EP made the decision to grant [temporary relief](#) to plan sponsors to make the needed changes to their SIMPLE IRA plans for the EGTRRA updates. In addition, approximately 190,000 SIMPLE IRA plan sponsors were identified through review of Form W-2 information and received a letter through a special mail-out that addressed the need to update plans for EGTRRA. The SIMPLE IRA relief is set to end on December 31, 2006.

After December 31, 2006, examiners reviewing SIMPLE IRA plans and finding that the plan has not been updated for EGTRRA will treat the failure and correction on a case-by-case basis. The failures may be eligible for correction under the [Correction Programs](#) outlined in Revenue Procedure 2006-27. •

SWBA/IRS 17th Annual Employee Benefits Conference

This year's SWBA/IRS 17th Annual Employee Benefits Conference was an opportunity to hear from nationally recognized speakers on a wide variety of benefits issues. Each year, the conference provides timely updates on the important issues affecting employee benefit plans. The changes brought by the Pension Protection Act of 2006 were the focus of many of this year's presentations.

Highlights of this year's conference in Dallas included general sessions on the following topics:

- National Office Guidance Update
- EP Examinations & DOL Investigations
- Voluntary Correction Programs Update
- Living with the Remedial Amendment Period
- Wellness Programs
- ERISA Litigation Update
- 409A Update

Breakout sessions were split into three distinct tracts:

- Executive Compensation
- Welfare Plans
- Retirement Plans

SouthWest Benefits Association and the IRS will cosponsor a series of Administrative Skills Workshops in February, 2007. For more information on the workshops and other conferences, visit the SWBA web site at www.swba.org. •

An Early Reminder: Mark Your Calendars for the 36th Annual Pension Trust and Employee Benefits Seminar

The University of South Carolina's Moore School of Business, the IRS and the Department of Labor will host a benefits seminar at the Doubletree Guest Suites, Charlotte, North Carolina on April 26 - 27, 2007. This will be the 36th annual benefits seminar, which is designed for professionals who specialize in the employee benefits area. IRS has been a co-sponsor of this conference since its inception. In addition to providing a full day and a half of technical discussions and updates, the seminar will also offer a chance for attendees to network with other benefits professionals.

IRS speakers this year will feature Janet Mak, Manager, Employee Plans Voluntary Compliance Group for Mid-Atlantic and Northeast Areas and Stacy Smith, Employee Plans Specialist. Brenda Rickborn, Associate Regional Director and Michael Auerbach, Chief, Division of Accounting Services will be the featured DOL speakers. There will also be several speakers from the private sector.

The seminar is accredited for attendees to earn CPE credits for accountants, CLE credits for attorneys, and CPE credits for South Carolina life insurance agents.

For those who are interested in attending, please contact Helen Doeringhaus, at the University of South Carolina at doerp@moore.sc.edu for further information. You may also contact Stacy Smith at stacy.smith@irs.gov.

2007 Los Angeles Benefits Conference

The IRS, ASPPA, the National Institute of Pension Administrators, and the Western Pension and Benefits Conference will host the 2007 Los Angeles Benefits Conference (LABC) at the Hilton Los Angeles/Universal City on January 25 - 26, 2007 with a Pre-Conference Workshop (Conversation with the IRS and DOL) on January 24, 2007. The conference will focus on discussing the current regulatory, legislative, administrative and actuarial hot topics.

Highlights of the conference will include three IRS Interactive Tables staffed by IRS experts:

- Joseph Grant, Director, Employee Plans
- James Holland, Manager, EP Technical
- Marty Pippins, Manager, Technical Guidance
- Colleen Patton, EP Area Manager, Pacific Coast
- Avaneesh Bhagat, EP VC Coordinator
- Kevin Masushige, SCP and CAP Coordinator

For more information regarding the conference, such as hotel rates and airfares, and to register for the conference, please visit www.asppa.org or call them at (703) 516-9300.

IRS employees contributing to this edition of the *Employee Plans News* are:

**Paul F. Adams,
Rudy Boldreghini,
Angelique Carrington,
Bob CreMeens,
Joseph Grant,
Doug Jordan,
Roger Kuehnle,
Teresita Laureano,
Betty McClernan,
Peter McConkey,
Greg Nix,
Mark O'Donnell,
Nancy Payne,
Sharon Polo,
Mike Rubin,
Bonnie Schaumberg,
John Schmidt,
Aimee Shappelle,
Brenda Smith-Custer
and
Mikio Thomas**

Calendar of EP Benefits Conferences

UPCOMING EVENTS...

Name	Date(s)	Location	Co-Sponsor(s)	For Further Information, Please Contact
Los Angeles Benefits Conference	01/25/07-01/26/07	Los Angeles, CA	ASPPA, NIPA, WPBC & cooperating sponsors	www.asppa.org
Mid-Atlantic Benefits Conference	04/26/07-04/27/07	Philadelphia, PA	ASPPA	www.asppa.org
Great Lakes Benefits Conference	05/03/07-05/04/07	Chicago, IL	ASPPA	www.asppa.org
Northeast Benefits Conference (2 Locations)	06/07/07-06/08/07	Boston, MA & New York, NY	ASPPA & NE Area Pension Liaison Group	www.asppa.org
20th Annual Cincinnati Employee Benefits Conference	06/14/07-06/15/07	Cincinnati, OH	Cincinnati Bar Association & EBSA	CBA (513) 381-8213
Benefits Conference of the South	09/20/07-09/21/07	Atlanta, GA	ASPPA	www.asppa.org

RECENT EVENTS...

Name	Date(s)	Location	Co-Sponsor(s)	For Information, See
17th Annual SWBA/IRS Employee Benefits Conference	11/15/06-11/16/06	Dallas, TX	SouthWest Benefits Association (SWBA)	<i>EP Benefits Conferences Calendar at</i> www.irs.gov/ep
19th Annual Cincinnati Employee Benefits Conference	06/15/06-06/15/06	Cincinnati, OH	Cincinnati Bar Association & EBSA	
Northeast Benefits Conference (2 Locations)	06/07/06-06/08/06	Tarrytown, NY & Boston, MA	ASPPA & NE Area Pension Liaison Group	
Great Lakes Benefits Conference	05/15/06-05/16/06	Chicago, IL	ASPPA	



Department of the Treasury
Internal Revenue Service
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 Publication 3749 (12-2006)

Internal Revenue Service
Tax Exempt and Government
Entities Division

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