

Approaching Deadline for Cash Balance Plans to Submit IRS Determination Letter Applications

August 6, 2020

Sponsors of retirement plans that use a statutory hybrid benefit formula (e.g., cash balance plans) have until August 31, 2020 to submit such plans to the IRS for a favorable determination letter. However, because “interested parties” must be notified of the filing at least ten days in advance of the submission, the decision on whether to file must be made sooner (within the next week or so). Among other things, under this special determination letter cycle for cash balance plans, the IRS will review plan provisions implementing the final cash balance plan regulations. This is true even if the plan’s cash balance formula was in place when the plan received a prior favorable determination letter. The guidance allowing for the special cycle for cash balance plans is available [here](#).