

Internal Revenue Service Releases an Update to its Priority Guidance Plan

March 28, 2024

PRACTICES Health and Welfare Plans, Retirement Plans, Employee Benefits and Executive Compensation

The IRS recently released its second quarter update to its 2023-2024 Priority Guidance Plan, which contains several significant retirement, executive compensation, and health and welfare initiatives for this year. Employers should be aware of the following items on the IRS's proposed schedule of rulemaking and related guidance:

Retirement

- Final regulations relating to the timing of the use or allocation of forfeitures in qualified retirement plans. As we previously reported [here](#), proposed regulations were published on February 27, 2023.
- Final regulations updating electronic delivery rules and other guidance for providing applicable notices and making participant elections. Proposed regulations were published on December 30, 2022.
- Final regulations for required minimum distributions clarifying the application of the ten-year distribution rule for designated beneficiaries. As we previously reported [here](#), proposed regulations were published on February 24, 2022.
- Regulations under Section 72(t) of the Code relating to the 10% additional tax on early plan distributions.
- Guidance on student loan payments under qualified retirement plans and Section 403(b) plans. As we previously reported [here](#), the SECURE 2.0 Act included a student loan payment permissive plan design feature.
- Guidance on missing participants, including guidance on uncashed checks. As we previously reported [here](#) and [here](#), the IRS, DOL and PBGC have all previously issued guidance on this topic.
- Regulations and related guidance on matters arising in connection with closed defined benefit plans. Proposed regulations were published on January 29, 2016.

Executive Compensation

- Guidance on the deductibility of executive compensation under Section 162(m) of the Code relating to changes made by the American Rescue Plan Act of 2021.
- Regulations and related guidance under Section 457(f) of the Code on ineligible deferred compensation plans. Proposed regulations were published on June 22, 2016.
- Regulations regarding employer-provided meals.

Health and Welfare

- Guidance on contributions to and benefits from paid family and medical leave programs.

- Final regulations for employer-shared responsibility health care guidance under the Affordable Care Act and for health reimbursement arrangements. Proposed regulations were published on September 30, 2019.

The IRS second quarter update to its 2023-2024 Priority Guidance Plan is available [here](#).