

## IRS Allows Interest Credits Equal to Plan Rate of Return for Pre-Approved Plans

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In Rev. Proc. 2018-21, the IRS modified the favorable determination letter program to allow pre-approved defined benefit plans containing a cash balance formula to provide for the actual rate of return on plan assets as the rate used to determine interest credits, and modifies the guidance in prior Revenue Procedures accordingly. [View Rev. Proc. 2018-21.](#)