HAYNES BOONE

IRS Amends Determination Letter Program

December 29, 2011

The Internal Revenue Service (IRS) announced that it will change several aspects of its employee plans determination letter program, which will take effect for determination letter applications filed on or after February 1, 2012 (for plans assigned to a five-year remedial amendment cycle) or May 1, 2012 (for plans assigned to a six-year remedial amendment cycle). Among the changes made, the IRS has eliminated elective demonstrations regarding coverage and nondiscrimination requirements. Furthermore, only plans that have made limited modifications to a pre-approved volume submitter plan may file the shorter Form 5307. These changes to the determination letter filing procedures will be reflected in Revenue Procedure 2012-6, which will be published on January 3, 2012. This announcement is available here.