

IRS Issues Guidance on Changes to Opinion Letter Program for Pre-Approved Plans

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In Revenue Procedure 2017-41, the IRS modified requirements for pre-approved plans to receive continuing favorable opinion letters on periodic submission cycles. Importantly, the programs for "master and prototype" plans and "volume submitter" plans are combined and replaced with a single program involving standardized and nonstandardized plans. This new program expands the type of plans that can receive an opinion letter. Some of the major changes include allowing employee stock ownership plans (ESOPs) to have 401(k) features and allowing cash balance plans with an interest rate based on the actual return on plan assets (but not on the actual return on a subset of plan assets). In addition, the beginning and ending submission dates for the third cycle for defined contribution plans are modified to begin on October 2, 2017, and end on October 1, 2018. View [Revenue Procedure 2017-41](#).