

IRS Private Letter Ruling Allows a VEBA to Reimburse Medical Benefits for Domestic Partners

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Private letter ruling (PLR) 201415011 held that the tax-exempt status of a voluntary employees' beneficiary association (VEBA) trust would not be jeopardized by the VEBA's reimbursement of medical benefits incurred by a participant's domestic partner. This is true regardless of whether the domestic partner qualifies as a dependent under the Internal Revenue Code. However, the IRS's ruling with respect to non-dependent domestic partners turned in part on the VEBA's representation that the total amount of medical benefits that would be paid to non-dependent domestic partners would constitute 3 percent or less of the total amount of benefits paid to all participants and beneficiaries, and thus be a *de minimis* amount. A PLR is non-binding except on the parties to the PLR and may not be relied on as precedent. A copy of the PLR is available [here](#).