

March 31st Deadline to Adopt Compliant 403(b) Plan

March 11, 2020

Tax-exempt organizations that sponsor individually-designed 403(b) plans that have not received favorable determination letters and which may contain one or more form defects, and plan sponsors that have not timely adopted amendments to reflect changes in the law or regulations, generally have until March 31, 2020 to cure any defects by either (i) amending and restating their plan on an up-to-date pre-approved plan document or (ii) correcting any form defects retroactively to January 1, 2010 (or the plan's original effective date, if later). After the March 31, 2020 deadline, generally, the only way to cure form defects in a 403(b) plan that arose prior to March 31, 2020 will be through the IRS's voluntary correction program.