

PBGC Issues Premium Rate Guidance Relating to Changes in 2013

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The Pension Benefit Guaranty Corporation (PBGC) issued guidance for plan administrators who prepare premium filings and submit them to the PBGC. Due to MAP-21, in 2013, the per-participant flat-rate premium will be \$42 for single-employer plans and \$12 for multiemployer plans, and the variable-rate premium will be capped at \$400 per participant. Also in 2013, for the first time, plans that previously elected to use the Alternative Premium Funding Target to determine unfunded vested benefits are eligible to revoke that election and use the Standard Premium Funding Target. Because an election to use the Alternative Premium Funding Target must remain in effect for at least five years, a plan cannot revoke a prior election for the 2013 plan year unless the election was first effective for the 2008 plan year.