

September 27, 2019

IRS Determination Letter Program Expansion

ERISA

BY [JILL LUCAS](#)

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Effective January 1, 2017, the Internal Revenue Service (IRS) and Department of the Treasury issued an update stating that employee benefit plans would only receive an IRS Determination Letter for qualification of initial plan setup and for qualification of plan termination. This update also allowed for the IRS and Department of the Treasury to decide on a yearly basis if they would accept applications for individually designed plans outside of the two circumstances described above.

In connection with this yearly review, the IRS issued Revenue Procedure 2019-20, which expanded its determination letter program for individually designed employee benefit plans for a one-year period. The IRS will accept determination letter applications from September 1, 2019 through August 30, 2020 for individually designed statutory hybrid plans. The IRS will review these individually designed plans based on the 2017 Required Amendments List (Notice 2017-72). The IRS will also take all Required Amendments Lists and Cumulative Lists issued prior to 2016 into consideration.

In addition, Revenue Procedure 2019-20 also stated that determination letter applications will be accepted on an ongoing basis for individually designed merged plans. An individually designed merged plan is defined as two or more plans merging or consolidating into one a single individually designed plan.

This update only affects the individually designed plans, as described above. There is no impact to prototype plans for which the IRS will only issue a determination letter upon initial plan setup and plan termination.

The IRS has also updated the mailing address to which submissions of determination letters should be sent. The updated address is:

Internal Revenue Service

7940 Kentucky Drive

MS 31A

Florence, KY 41042

The address for preapproved plan submissions remains the same.

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