

Updated Static Mortality Tables for Defined Benefit Pension Plans for 2025

Notice 2024-42

PURPOSE

This notice specifies updated static mortality tables to be used for defined benefit pension plans under § 430(h)(3)(A) of the Internal Revenue Code (Code) and section 303(h)(3)(A) of the Employee Retirement Income Security Act of 1974, Pub. L. No. 93-406, as amended (ERISA). These updated static mortality tables, which are being issued pursuant to the regulations under § 430(h)(3)(A) of the Code, apply for purposes of calculating the funding target and other items for valuation dates occurring during the 2025 calendar year.

This notice also includes a modified unisex version of the mortality tables for use in determining minimum present value under § 417(e)(3) and section 205(g)(3) of ERISA for distributions with annuity starting dates that occur during stability periods beginning in the 2025 calendar year.

BACKGROUND

Mortality Tables for Purposes of § 430

Section 412 of the Code provides minimum funding requirements that generally apply for defined benefit plans. Section 412(a)(2) provides that § 430 sets forth the minimum funding requirements that apply to defined benefit plans that are not multiemployer plans or CSEC plans. Section 430(a) defines the minimum required contribution for such a plan by reference to the plan's funding target for the plan year. Under § 430(d)(1), a plan's funding target for a plan year generally is the present value of all benefits accrued or earned under the plan as of the first day of that plan year.

Section 430(h)(3) provides rules regarding the mortality tables that generally are used under § 430. Under § 430(h)(3)(A), except as provided in § 430(h)(3)(C) or (D), the Secretary is to prescribe by regulation mortality tables to be used in determining any present value or making any computation under § 430. Those tables are to be based on the actual experience of pension plans and projected trends in that experience. Section 430(h)(3)(B) requires the Secretary to revise any table in effect under § 430(h)(3)(A) at least every 10 years to reflect the actual experience of pension plans and projected trends in that experience. Pursuant to that instruction, on October 20, 2023, the Department of the Treasury and the Internal Revenue Service issued TD 9983, 88 FR 72357, which amends the regulations to provide updated base mortality tables and mortality improvement rates that apply for valuation dates occurring on or after January 1, 2024.

Section 430(h)(3)(C) provides that, upon request by a plan sponsor and approval by the Secretary, substitute mortality tables that meet the applicable requirements may be used in lieu of the standard mortality tables provided under § 430(h)(3)(A). Section 430(h)(3)(D) provides for the use of separate mortality tables with respect to certain individuals who are entitled to benefits on account of disability.

Section 1.430(h)(3)-1 provides rules regarding the mortality tables used under § 430(h)(3)(A) for valuation dates occurring on or after January 1, 2024. The mortality tables used under § 430(h)(3)(A) are based on the tables in the Pri-2012 Private Retirement Plans Mortality Tables Report,¹ adjusted for mortality improvement. Section 1.430(h)(3)-1(d) sets forth base mortality tables with a base year of 2012.

Section 1.430(h)(3)-1(a)(1) permits plan sponsors to apply the projection of mortality improvement in either of two ways: through use of generational mortality tables or through use of static mortality tables (available only to small plans described in § 1.430(h)-1(c)(1)(ii)) that are updated annually to reflect expected improvements in mortality. Section 1.430(h)(3)-1(b)(1)(iii)(A) provides that, for valuation dates occurring in years after January 1, 2024, the mortality improvement rates used to develop these mortality tables are the 2024 Adjusted Scale MP-2021 Rates. These rates, which are incorporated by reference under § 1.430(h)(3)-1(b)(1)(iv)(A), are available at <http://www.irs.gov/retirement-plans/pension-plan-mortality-tables>. In addition, Note 1 to § 1.430(h)(3)-1(c)(1)(iv) states that the static mortality tables for valuation dates occurring in later calendar years will be published in the Internal Revenue Bulletin.

Application of § 430 Mortality Tables to Other Funding Rules

Section 431 provides the minimum funding standards for multiemployer plans described in § 414(f) that are subject to § 412. Section 431(c)(6)(D)(iv) provides that the Secretary may by regulation prescribe mortality tables to be used in determining current liability for purposes of § 431(c)(6)(B). Section 1.431(c)(6)-1 provides that the same mortality assumptions that apply for purposes of § 430(h)(3)(A) and § 1.430(h)(3)-1(a)(2) are used to determine a multiemployer plan's current liability for purposes of applying the full-funding rules of § 431(c)(6). For this purpose, either the generational mortality tables or the static mortality tables are permitted to be used without regard to whether the plan is a small plan.

Section 433 provides the minimum funding standards for CSEC plans described in § 414(y). Section 433(h)(3)(B)(i) provides that the Secretary may by regulation prescribe mortality tables to be used in determining current liability for

¹ The Pri-2012 Private Retirement Plans Mortality Tables Report is available at <https://www.soa.org/49c106/globalassets/assets/files/resources/experience-studies/2019/pri-2012-mortality-tables-report.pdf>.

purposes of § 433(c)(7)(C). Section 1.433(h)(3)-1(a) provides that the mortality tables described in § 430(h)(3)(A) are to be used to determine current liability under § 433(c)(7)(C). For this purpose, either the generational mortality tables or the static mortality tables are permitted to be used without regard to whether the plan is a small plan.

Application of Mortality Tables for Minimum Present Value Requirements under § 417(e)(3)

Section 417(e)(3) generally provides that the present value of certain accelerated forms of benefit under a qualified pension plan (including single-sum distributions) must not be less than the present value of the accrued benefit using applicable interest rates and the applicable mortality table. Section 417(e)(3)(B) defines the term “applicable mortality table” as the mortality table specified for the plan year under § 430(h)(3)(A) (without regard to § 430(h)(3)(C) or (D)), modified as appropriate by the Secretary. Under § 1.417(e)-1(d)(2)(i), the applicable mortality table for a calendar year is the mortality table that is prescribed by the Commissioner in guidance published in the Internal Revenue Bulletin.

Rev. Rul. 2007-67, 2007-2 CB 1047, provides that, except as otherwise stated in future guidance, the applicable mortality table under § 417(e)(3) is a static mortality table set forth in published guidance that is developed based on a fixed blend of 50 percent of the static male combined mortality rates and 50 percent of the static female combined mortality rates used under § 1.430(h)(3)-1. Rev. Rul. 2007-67 also provides that the applicable mortality table for a calendar year applies to distributions with annuity starting dates that occur during stability periods that begin during that calendar year.

STATIC MORTALITY TABLES FOR 2025

The static mortality tables that apply under § 430(h)(3)(A) for valuation dates occurring during 2025 are set forth in the appendix to this notice. The mortality rates in these tables have been developed from the methodology and base mortality rates set forth in § 1.430(h)(3)-1(c) and (d), respectively, using the mortality improvement rates set forth in the 2024 Adjusted Scale MP-2021 Rates.

The static mortality table that applies under § 417(e)(3) for distributions with annuity starting dates occurring during stability periods beginning in 2025 is set forth in the appendix to this notice in the column labeled “Unisex.” The mortality rates in this table are derived from the mortality tables specified under § 430(h)(3)(A) for 2025 in accordance with the procedures set forth in Rev. Rul. 2007-67.

Drafting Information

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APPENDIX

Mortality Tables for 2025

**Valuation Dates Occurring During 2025 and
Distributions Subject to § 417(e)(3) with Annuity Starting Dates During
Stability Periods Beginning in 2025**

430(h)(3)(A) Static Tables

Age	Males	Females	417(e)
0	0.00353	0.00304	0.00329
1	0.00025	0.00021	0.00023
2	0.00017	0.00013	0.00015
3	0.00012	0.00010	0.00011
4	0.00011	0.00008	0.00010
5	0.00009	0.00007	0.00008
6	0.00008	0.00006	0.00007
7	0.00008	0.00006	0.00007
8	0.00006	0.00005	0.00006
9	0.00005	0.00005	0.00005
10	0.00005	0.00005	0.00005
11	0.00005	0.00006	0.00006
12	0.00008	0.00006	0.00007
13	0.00010	0.00007	0.00009
14	0.00013	0.00008	0.00011
15	0.00017	0.00008	0.00013
16	0.00021	0.00009	0.00015
17	0.00025	0.00010	0.00018
18	0.00029	0.00010	0.00020
19	0.00033	0.00010	0.00022
20	0.00036	0.00010	0.00023
21	0.00036	0.00010	0.00023
22	0.00037	0.00011	0.00024
23	0.00037	0.00013	0.00025
24	0.00039	0.00014	0.00027
25	0.00039	0.00014	0.00027
26	0.00041	0.00014	0.00028
27	0.00042	0.00016	0.00029
28	0.00044	0.00016	0.00030
29	0.00046	0.00017	0.00032
30	0.00048	0.00018	0.00033
31	0.00050	0.00019	0.00035

32	0.00053	0.00021	0.00037
33	0.00056	0.00023	0.00040
34	0.00058	0.00024	0.00041
35	0.00061	0.00026	0.00044
36	0.00064	0.00028	0.00046
37	0.00067	0.00031	0.00049
38	0.00069	0.00032	0.00051
39	0.00072	0.00035	0.00054
40	0.00073	0.00037	0.00055
41	0.00075	0.00039	0.00057
42	0.00076	0.00041	0.00059
43	0.00079	0.00043	0.00061
44	0.00080	0.00045	0.00063
45	0.00083	0.00047	0.00065
46	0.00087	0.00051	0.00069
47	0.00091	0.00054	0.00073
48	0.00097	0.00058	0.00078
49	0.00103	0.00064	0.00084
50	0.00112	0.00070	0.00091
51	0.00123	0.00079	0.00101
52	0.00136	0.00089	0.00113
53	0.00152	0.00101	0.00127
54	0.00172	0.00114	0.00143
55	0.00204	0.00136	0.00170
56	0.00251	0.00169	0.00210
57	0.00293	0.00193	0.00243
58	0.00341	0.00223	0.00282
59	0.00394	0.00256	0.00325
60	0.00454	0.00297	0.00376
61	0.00519	0.00341	0.00430
62	0.00610	0.00406	0.00508
63	0.00698	0.00474	0.00586
64	0.00768	0.00532	0.00650
65	0.00854	0.00614	0.00734
66	0.00949	0.00702	0.00826
67	0.01046	0.00779	0.00913
68	0.01154	0.00864	0.01009
69	0.01273	0.00960	0.01117
70	0.01408	0.01074	0.01241
71	0.01563	0.01207	0.01385
72	0.01736	0.01357	0.01547
73	0.01934	0.01528	0.01731
74	0.02158	0.01729	0.01944
75	0.02415	0.01959	0.02187

76	0.02708	0.02223	0.02466
77	0.03045	0.02520	0.02783
78	0.03433	0.02856	0.03145
79	0.03882	0.03229	0.03556
80	0.04408	0.03686	0.04047
81	0.04969	0.04125	0.04547
82	0.05605	0.04614	0.05110
83	0.06323	0.05161	0.05742
84	0.07137	0.05777	0.06457
85	0.08066	0.06477	0.07272
86	0.09115	0.07282	0.08199
87	0.10295	0.08197	0.09246
88	0.11615	0.09244	0.10430
89	0.13069	0.10416	0.11743
90	0.14650	0.11723	0.13187
91	0.16317	0.13071	0.14694
92	0.18022	0.14477	0.16250
93	0.19758	0.15936	0.17847
94	0.21499	0.17426	0.19463
95	0.23232	0.18953	0.21093
96	0.25065	0.20589	0.22827
97	0.26924	0.22289	0.24607
98	0.28813	0.24064	0.26439
99	0.30750	0.25903	0.28327
100	0.32701	0.27800	0.30251
101	0.34652	0.29740	0.32196
102	0.36577	0.31688	0.34133
103	0.38470	0.33639	0.36055
104	0.40330	0.35579	0.37955
105	0.42090	0.37505	0.39798
106	0.43800	0.39383	0.41592
107	0.45424	0.41213	0.43319
108	0.46975	0.42960	0.44968
109	0.48458	0.44636	0.46547
110	0.49379	0.46232	0.47806
111	0.49492	0.47751	0.48622
112	0.49606	0.49181	0.49394
113	0.49721	0.49790	0.49756
114	0.49845	0.49880	0.49863
115	0.49960	0.49970	0.49965
116	0.49980	0.49985	0.49983
117	0.49990	0.49995	0.49993
118	0.49995	0.50000	0.49998
119	0.50000	0.50000	0.50000

