

INTERNAL REVENUE BULLETIN



HIGHLIGHTS OF THIS ISSUE

These synopses are intended only as aids to the reader in identifying the subject matter covered. They may not be relied upon as authoritative interpretations.

EMPLOYEE PLANS

REG-103525-23, page 1252.

These proposed regulations would update the requirements that a plan sponsor of a single-employer defined benefit plan must meet to obtain IRS approval to use mortality tables specific to the plan in calculating present value for minimum funding purposes (as a substitute for the generally applicable mortality tables).

T.D. 9983, page 1237.

These regulations prescribe mortality tables to be used for most defined benefit pension plans. The tables specify the probability of survival year-by-year for an individual based on age, gender, and other factors. The tables are used

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(together with other actuarial assumptions) to calculate the present value of a stream of expected future benefit payments for purposes of determining the minimum funding requirements for the plan. These mortality tables are also relevant for determining the minimum required amount of a lump-sum distribution from such a plan.

EXEMPT ORGANIZATIONS

Announcement 2023-31, page 1251.

Revocation of IRC 501(c)(3) Organizations for failure to meet the code section requirements. Contributions made to the organizations by individual donors are no longer deductible under IRC 170(b)(1)(A).

The IRS Mission

Provide America's taxpayers top-quality service by helping them understand and meet their tax responsibilities and enforce the law with integrity and fairness to all.

Introduction

The Internal Revenue Bulletin is the authoritative instrument of the Commissioner of Internal Revenue for announcing official rulings and procedures of the Internal Revenue Service and for publishing Treasury Decisions, Executive Orders, Tax Conventions, legislation, court decisions, and other items of general interest. It is published weekly.

It is the policy of the Service to publish in the Bulletin all substantive rulings necessary to promote a uniform application of the tax laws, including all rulings that supersede, revoke, modify, or amend any of those previously published in the Bulletin. All published rulings apply retroactively unless otherwise indicated. Procedures relating solely to matters of internal management are not published; however, statements of internal practices and procedures that affect the rights and duties of taxpayers are published.

Revenue rulings represent the conclusions of the Service on the application of the law to the pivotal facts stated in the revenue ruling. In those based on positions taken in rulings to taxpayers or technical advice to Service field offices, identifying details and information of a confidential nature are deleted to prevent unwarranted invasions of privacy and to comply with statutory requirements.

Rulings and procedures reported in the Bulletin do not have the force and effect of Treasury Department Regulations, but they may be used as precedents. Unpublished rulings will not be relied on, used, or cited as precedents by Service personnel in the disposition of other cases. In applying published rulings and procedures, the effect of subsequent legislation, regulations, court decisions, rulings, and procedures must be considered, and Service personnel and others concerned are cautioned

against reaching the same conclusions in other cases unless the facts and circumstances are substantially the same.

The Bulletin is divided into four parts as follows:

Part I.—1986 Code.

This part includes rulings and decisions based on provisions of the Internal Revenue Code of 1986.

Part II.—Treaties and Tax Legislation.

This part is divided into two subparts as follows: Subpart A, Tax Conventions and Other Related Items, and Subpart B, Legislation and Related Committee Reports.

Part III.—Administrative, Procedural, and Miscellaneous.

To the extent practicable, pertinent cross references to these subjects are contained in the other Parts and Subparts. Also included in this part are Bank Secrecy Act Administrative Rulings. Bank Secrecy Act Administrative Rulings are issued by the Department of the Treasury's Office of the Assistant Secretary (Enforcement).

Part IV.—Items of General Interest.

This part includes notices of proposed rulemakings, disbarment and suspension lists, and announcements.

The last Bulletin for each month includes a cumulative index for the matters published during the preceding months. These monthly indexes are cumulated on a semiannual basis, and are published in the last Bulletin of each semiannual period.

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Part I

26 CFR 1.430(h)(3)-1; 26 CFR 1.431(c)(6)-1; 26 CFR 1.433(h)(3)-1

T.D. 9983

DEPARTMENT OF THE TREASURY Internal Revenue Service 26 CFR Part 1

Mortality Tables for Determining Present Value under Defined Benefit Pension Plans

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Final regulations.

SUMMARY: This document sets forth final regulations prescribing mortality tables to be used for most defined benefit pension plans. The tables specify the probability of survival year-by-year for an individual based on age, gender, and other factors. The tables are used (together with other actuarial assumptions) to calculate the present value of a stream of expected future benefit payments for purposes of determining the minimum funding requirements for the plan. These mortality tables are also relevant for determining the minimum required amount of a lump-sum distribution from such a plan. These regulations affect participants in, beneficiaries of, employers maintaining, and administrators of certain defined benefit pension plans.

DATES: *Effective date:* These regulations are effective October 20, 2023.

Applicability date: These regulations apply to valuation dates occurring on or after January 1, 2024.

Incorporation by reference: The incorporation by reference of certain publications listed in the rule is approved by the Director of the Federal Register as of October 20, 2023.

FOR FURTHER INFORMATION CONTACT: Concerning the regulations, Arslan Malik or Linda Marshall at (202) 317-6700; concerning the construction of the base mortality tables and the static mortality tables for 2024, Christopher Denning at (202) 317-5755 (not toll free).

SUPPLEMENTARY INFORMATION:

Background

Section 412 of the Internal Revenue Code (Code) prescribes minimum funding requirements for defined benefit pension plans, and section 430 specifies the minimum funding requirements that apply generally to defined benefit plans that are not multiemployer plans.¹ Section 430(a) defines the minimum required contribution for a plan by reference to the plan's funding target for the plan year. Under section 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 to be used under section 430. Under section 430(h)(3)(A), except as provided in section 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 section 430. Those mortality tables are to be based on the actual mortality experience of pension plan participants and projected trends in that experience. In prescribing those mortality tables, the Secretary is required to take into account results of available independent studies of mortality

of individuals covered by pension plans. Under section 430(h)(3)(B), the Secretary is required to revise any mortality table in effect under section 430(h)(3)(A) at least every 10 years to reflect actual mortality experience of pension plan participants and projected trends in that experience. Under section 430(h)(3)(C), a plan sponsor may request the Secretary's approval to use plan-specific substitute mortality tables that meet requirements specified in the statute rather than the generally applicable mortality tables. If approved, the substitute mortality tables are used to determine present values and make computations under section 430 during the period of consecutive plan years (not to exceed 10) specified in the request.

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. These separate mortality tables are permitted to be used with respect to disabled individuals in lieu of the generally applicable mortality tables provided pursuant to section 430(h)(3)(A). The Secretary is to establish separate tables for individuals with disabilities occurring in plan years beginning before January 1, 1995, and for individuals with disabilities occurring in later plan years, with the mortality tables for individuals with disabilities occurring in those later plan years applying only to individuals who are disabled within the meaning of Title II of the Social Security Act.²

Section 417(e)(3) generally provides that the present value of certain benefits 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 for minimum funding purposes under section 430(h)(3)

¹ Section 302 of the Employee Retirement Income Security Act of 1974, Pub. L. No. 93-406, 88 Stat. 829 (1974), as amended (ERISA), sets forth funding rules that are parallel to those in section 412 of the Code, and section 303 of ERISA sets forth additional funding rules for defined benefit plans (other than multiemployer plans) that are parallel to those in section 430 of the Code. Pursuant to section 101 of Reorganization Plan No. 4 of 1978, 5 U.S.C. App., as amended, the Secretary of the Treasury has interpretive jurisdiction over the subject matter addressed in these regulations for purposes of ERISA, as well as the Code. Thus, these Treasury regulations issued under section 430 of the Code also apply for purposes of section 303 of ERISA. Similarly, Treasury regulations under sections 431 and 433 apply for purposes of sections 304 and 306 of ERISA.

² Mortality tables that were permitted to be used for disabled participants under section 412(l)(7)(C)(iii)(I) as in effect before 2008 were provided in Rev. Rul. 96-7, 96-3 IRB 12. Notice 2008-29, 2008-1 CB 637, adopted those tables for use under section 430(h)(3)(D).

(A) (without regard to the rules for substitute mortality tables under section 430(h)(3)(C) or mortality tables for disabled individuals under section 430(h)(3)(D)), modified as appropriate by the Secretary. The modifications made by the Secretary to the section 430(h)(3)(A) mortality table to determine the section 417(e)(3)(B) applicable mortality table are not addressed in these regulations. Revenue Ruling 2007-67, 2007-2 CB 1047, describes the modifications that are currently applied to determine the section 417(e)(3)(B) applicable mortality table.

Final regulations under section 430(h)(3) were published in the **Federal Register** on October 5, 2017, in TD 9826, 82 FR 46388 (the 2017 regulations). Section 1.430(h)(3)-1 prescribes base mortality tables and a set of mortality improvement rates, which may be reflected through the use of either generational mortality tables or static mortality tables. The generational mortality tables are a series of mortality tables, one for each year of birth, each of which fully reflects projected trends in mortality rates. The static mortality tables (which are updated annually³) use a single mortality table for all years of birth to approximate the present value that would be determined using the generational mortality tables.

The mortality tables included in the 2017 regulations are based on the mortality tables included in the RP-2014 Mortality Tables Report⁴ (referred to in this preamble as the RP-2014 mortality tables), which was released by the Retirement Plan Experience Committee (RPEC) of the Society of Actuaries (SOA) in October 2014 (as revised in November 2014), and a set of mortality improvement rates as released by RPEC in the Mortality Improvement Scale MP-2016 Report.⁵ In 2016, RPEC initiated a study of private-sector retirement plans in the U.S. in order to provide an update to the RP-2014 mortality tables, and in 2019, RPEC issued the Pri-2012 Private Retirement

Plans Mortality Tables Report (Pri-2012 Report).⁶ In October 2021, RPEC published the Mortality Improvement Scale MP-2021 Report (MP-2021 Report), which includes the latest mortality improvement scale issued by RPEC.⁷

The standards prescribed for developing the mortality tables under section 430(h)(3)(A) are the same as the standards that are prescribed for developing mortality tables for multiemployer plans under section 431(c)(6)(D)(iv)(II) (which are used to determine current liability in order to determine the minimum full funding limitation under section 431(c)(6)(B)). These standards also apply for CSEC plans described in section 414(y) for purposes of developing mortality tables that are used for purposes of section 433(h)(3)(B)(i) (to determine current liability in order to determine the minimum full funding limitation under section 433(c)(2)(C) and the funded current liability percentage under section 433(i)).

Proposed regulations to update the mortality tables issued under section 430(h)(3) and make certain other changes regarding those tables were published in the **Federal Register** on April 28, 2022 (87 FR 25161) (the proposed regulations). Five comments on the proposed regulations were received. No commenters requested to speak at the scheduled public hearing; accordingly, the public hearing was canceled.

On October 27, 2022, RPEC released a report titled the “RPEC 2022 Mortality Improvement Update.”⁸ Unlike RPEC’s previously issued reports regarding mortality improvement, this report does not include a new mortality improvement scale. RPEC noted that, as of the date of that report, the most recent year for which full-year mortality data was available was 2020, which was severely affected by the COVID-19 pandemic. RPEC concluded that it would not be appropriate to incorporate, without adjustment, the substantially higher rates of mortality experience

from 2020 into the models RPEC had previously used to project future mortality.⁹ Therefore, RPEC chose not to release a new mortality improvement scale in 2022. Instead, RPEC recommended the use of an assumed increase in mortality rates to reflect the impact of the COVID-19 pandemic, which would be phased out after an appropriate period. RPEC did not recommend a specific level for this assumed increase but provided data about mortality rates for 2020 through the first half of 2022 and provided examples of assumed increases that could be used (including the assumed increase used in the 2022 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds).

Section 335 of the SECURE 2.0 Act of 2022 (SECURE 2.0 Act), which was enacted on December 29, 2022 as Division T of the Consolidated Appropriations Act, 2023, Pub. L. 117-328 (136 Stat. 4459), instructs the Secretary or the Secretary’s delegate to amend the regulations under section 430(h)(3)(A) no later than June 30, 2024. Under this provision, for valuation dates occurring during or after 2024, the mortality improvement rates specified in those regulations must not assume for years beyond the valuation date mortality improvements at any age that are greater than 0.78 percent. Section 335 of the SECURE 2.0 Act also instructs the Secretary (or delegate) to modify the 0.78 percent limitation to reflect material changes in the overall rate of improvement projected by the Social Security Administration.

After consideration of public comments received on the proposed regulations (and taking into account section 335 of the SECURE 2.0 Act), the proposed regulations are adopted by this Treasury decision, with certain changes. These changes include: (1) a delay in the applicability date; (2) modifications in the mortality improvement rates to reflect the

³Static mortality tables were published in Notice 2017-60, 2017-43 IRB 365, Notice 2018-02, 2018-2 IRB 281, Notice 2019-26, 2019-15 IRB 943, Notice 2019-67, 2019-52 IRB 1510, Notice 2020-85, 2020-51 IRB 1645, and Notice 2022-22, 2022-20 IRB 1057.

⁴This report is available at <https://www.soa.org/globalassets/assets/files/research/exp-study/research-2014-rp-report.pdf>.

⁵This report is available at <https://www.soa.org/globalassets/assets/files/Research/Exp-Study/mortality-improvement-scale-mp-2016.pdf>.

⁶This report is available at <https://www.soa.org/globalassets/assets/files/resources/experience-studies/2019/pri-2012-mortality-tables-report.pdf>.

⁷This report is available at <https://www.soa.org/globalassets/assets/files/resources/experience-studies/2021/2021-mp-scale-report.pdf>.

⁸This report is available at <https://www.soa.org/resources/research-reports/2022/rpec-mortality-improvement/>.

⁹RPEC noted that, if it had used its standard graduation model and had included 2020 data in accordance with its usual practice, this would have had the effect of elevating mortality improvement rates for periods prior to the pandemic.

expected ongoing impact of COVID-19 on mortality rates and to reflect the 0.78 percent annual cap on mortality improvement rates as required by section 335 of the SECURE 2.0 Act; and (3) a minor change related to the treatment of individuals who are not identified as male or female.

Summary of Comments and Explanation of Revisions

These regulations set forth the updated methodology for determining the generally applicable mortality tables that are used to calculate present value under section 430 of the Code. Pursuant to section 417(e)(3)(B), a modified version of these tables is used for purposes of determining the amount of a single-sum distribution (or another accelerated form of distribution). In addition, these tables are used to determine current liability for multiemployer plans under section 431(c)(6) and CSEC plans under section 433(h).

The updated methodology for determining the generally applicable mortality tables under section 430(h)(3)(A) is issued pursuant to the requirement under section 430(h)(3)(B) to revise the mortality tables used under section 430 to reflect the actual mortality experience of pension plan participants and projected trends in that experience as well as the requirement under section 335 of the SECURE 2.0 Act that mortality improvement rates provided under the regulations for years after the year that includes the applicable valuation date may not exceed 0.78 percent per year. As under the 2017 regulations and the proposed regulations, the methodology for determining generally applicable mortality tables involves the separate determination of base mortality tables and the projection of mortality improvement.

A. Base Mortality Tables

These regulations adopt the base mortality tables set forth in the proposed

regulations for use under section 430(h)(3)(A) of the Code, which are derived from the tables set forth in the Pri-2012 Report. No commenter suggested any alternative source for base mortality tables.

Like the base mortality tables provided in the 2017 regulations, the base mortality tables set forth in these regulations are gender-distinct and provide separate non-annuitant and annuitant mortality rates. The base mortality tables have a base year of 2012 (the central year of the experience study used to develop the mortality tables in the Pri-2012 Report). These base tables generally have the same mortality rates as the employee and non-disabled annuitant mortality rates (amounts weighted) that were released by RPEC in connection with the Pri-2012 Report. However, these base tables also include non-annuitant mortality rates for ages below 18 and above 80 and annuitant mortality rates for ages below age 50. This generally is the same approach that was used to develop the base mortality tables in the 2017 regulations. The preamble to the proposed regulations describes the methodology that was used to develop non-annuitant mortality rates for ages below age 18 and above age 80 and annuitant mortality rates for ages below age 50. See 87 FR 25161, 25163.

B. Mortality Improvement

These regulations adopt the methodology set forth in the proposed regulations regarding the adjustment of the base mortality tables to reflect expected trends in mortality improvement but use different mortality improvement rates. The proposed regulations applied the Scale MP-2021 Rates (the mortality improvement scale in the MP-2021 Report) for valuation dates in the 2023 calendar year. This mortality improvement scale was developed using the same underlying methodology used to develop earlier mortality improvement scales but reflects historical population data through 2019

and the change to the RPEC-selected assumptions for the long-term rate of mortality improvement that was first incorporated in the Mortality Improvement Scale MP-2020 Report.¹⁰

One commenter expressed concern that the expected long-term improvements in longevity reflected in the MP-2021 Report may be overly optimistic and suggested that regulations apply a cap on the long-term mortality improvement rates used. Another commenter recommended that future mortality rates be increased to reflect the long-term impact of COVID-19.

After considering all the comments and the RPEC 2022 Mortality Improvement Update, the Department of the Treasury (Treasury Department) and the IRS have decided to adopt a modified version of the MP-2021 Mortality Improvement Scale for valuation dates occurring on or after January 1, 2024. The mortality improvement scale applicable for valuation dates occurring on or after January 1, 2024, which is referred to as the 2024 Adjusted Scale MP-2021 Rates, is based on the Scale MP-2021 Rates. However, the 2024 Adjusted Scale MP-2021 Rates reflect a modification to the Scale MP-2021 Rates that eliminates any mortality improvement during 2020, 2021, 2022, and 2023 (while retaining any projected mortality deterioration for those years under the MP-2021 Mortality Improvement Scale).¹¹ In addition, in response to the statutory instruction in section 335 of the SECURE 2.0 Act, the 2024 Adjusted Scale MP-2021 incorporates a cap on mortality improvement rates of 0.78 percent per year for years after 2024.¹² This cap on mortality improvement rates is statutorily required by a clear statutory instruction, and public comment on the cap rate is unnecessary.

The Treasury Department and the IRS intend to consider new data regarding mortality trends of the general population as it becomes available (including future reports and mortality improvement scales issued by RPEC, as well as projections of mortality improvement issued

¹⁰This report is available at <https://www.soa.org/globalassets/assets/files/resources/experience-studies/2020/mortality-improvement-scale-mp-2020.pdf>.

¹¹Because the mortality rates provided in these regulations apply beginning in 2024 (that is, after the height of the COVID-19 pandemic), the significantly higher rates of mortality experience during 2020 through 2023 are not determinative of mortality rates for later years. However, the Treasury Department and the IRS expect that mortality in the future will be marginally higher than what was projected based on mortality experience prior to the COVID-19 pandemic. This expectation has been reflected through the elimination of any mortality improvement assumption for the years 2020 through 2023.

¹²Because the 0.78 percent cap applies to rates for years after the year that includes the applicable valuation date, the first impact of that cap will be on the mortality rates that are projected to apply in 2025.

by the Social Security Administration) and to specify new mortality improvement rates that reflect updated data when future modifications become appropriate. Those new mortality improvement rates will incorporate the cap on mortality improvement rates described in section 335 of the SECURE 2.0 Act (including a change to the level of the 0.78 percent cap on annual mortality improvement rates as a result of any material changes in the overall rate of improvement projected by the Social Security Administration).

C. Use of Static Tables for Small Plans

The 2017 regulations provide for the use of separate generational non-annuitant and annuitant mortality tables and separate static non-annuitant and annuitant mortality tables. However, the proposed regulations provided for the elimination of the use of static mortality tables other than for small plans. This change was proposed because the Treasury Department and the IRS believe that there was no longer a need to allow the use of static mortality tables for larger plans (as most actuarial firms have the capability to use generational mortality tables) and to minimize anti-selection by plan sponsors who determine that the use of static mortality tables results in lower minimum funding requirements. No commenters objected to this change, and these regulations adopt that change.

D. Individuals not identified as male or female

One commenter requested that final regulations clarify how the mortality tables under section 430(h)(3)(A) are applied in the case of a participant or beneficiary who identifies as nonbinary. To address this issue, and to clarify how these tables should be applied for the portion of a plan's population for whom gender data is not available, the regulations provide that the plan's actuary must use a reasonable approach in applying the section 430(h)(3)(A) mortality tables with respect

to the portion of a plan's population whose gender is not identified as male or female (for example, a plan participant who identifies as nonbinary or for whom gender is not known). The regulations include two examples of reasonable approaches that may be used for this purpose. These two approaches are merely two reasonable methods for determining liabilities with respect to individuals for whom male or female gender is not identified, and other reasonable approaches may be appropriate.¹³

Under the first approach, the liability for an individual is determined as the weighted average of the liability calculated as if the individual were male and the liability calculated as if the individual were female, using an appropriate weighting that takes into account the distribution of gender in the plan's population for individuals for whom gender is identified. For example, if the gender distribution in a plan's population for whom the gender is identified is 2/3 male and 1/3 female, the liability calculated for the individual would be equal to 2/3 of the liability calculated as if the individual were male and 1/3 of the liability calculated as if the individual were female.

The second approach might be used in connection with actuarial software that is not able to apply a weight to individuals in the plan census. Under the second approach, either male or female status is assigned randomly to an individual for whom male or female gender is not identified in a manner that is expected to result in an appropriate proportion of males and females for the plan population that takes into account the distribution of gender for individuals in the plan's population for whom gender is identified. For example, if the gender distribution in a plan population for whom the gender is identified is 2/3 male and 1/3 female, a gender may be assigned to an individual for whom gender is not identified based on the individual's birthdate, with someone born in the first 8 months of the year assigned male gender and someone born in the last 4 months of the year assigned female gender.

Applicability Date

These regulations apply for valuation dates occurring on or after January 1, 2024.

Effect of Regulations on Previously Approved Substitute Mortality Tables

The 2017 regulations also included rules regarding the use of plan-specific substitute mortality tables under section 430(h)(3)(C), which are set forth in § 1.430(h)(3)-2. Section 1.430(h)(3)-2(c)(6)(ii) provides for the early termination of the use of substitute mortality tables in certain circumstances, including in conjunction with a replacement of the mortality tables specified in § 1.430(h)(3)-1. Under § 1.430(h)(3)-2(c)(6)(ii)(E), the early termination in conjunction with a replacement of the generally applicable mortality tables will apply as of a date specified in guidance published in the Internal Revenue Bulletin. As stated in the preamble to the proposed regulations, the Treasury Department and the IRS generally will not require that the use of previously approved substitute mortality tables be terminated solely as a result of replacement of the generally applicable mortality tables.

Proposed regulations modifying the rules for approving plan-specific substitute mortality tables are being published in the proposed rules section of this issue of the **Federal Register**. Those regulations are proposed to apply to plan years beginning on or after January 1, 2025. Until amendments to the plan-specific substitute mortality regulations are finalized—and an updated revenue procedure that reflects the final regulations is issued—the Treasury Department and the IRS will not require that any previously approved plan-specific substitute mortality tables be terminated pursuant to § 1.430(h)(3)-2(c)(6)(ii)(E).

Incorporation by Reference

Section 1.430(h)(3)-1(b)(1)(iii) of these regulations provides that the mortality

¹³ For example, it might be reasonable to apply an approach based on an equal weighting of male mortality rates and female mortality rates if the gender ratio of the portion of the plan population for whom male or female gender is identified is sufficiently close to 50 percent male and 50 percent female.

improvement rates used to construct generational tables to be used for valuation dates occurring on or after January 1, 2024, are the 2024 Adjusted Scale MP-2021 Rates as described in the third paragraph of section B of the Summary of Comments and Explanation of Revisions in this preamble. The Office of the Federal Register (OFR) has regulations concerning incorporation by reference. 1 CFR part 51. These regulations require that agencies must discuss in the preamble to a rule or proposed rule the way in which materials that the agency incorporates by reference are reasonably available to interested persons, and how interested parties can obtain the materials. 1 CFR 51.5(b). The 2024 Adjusted Scale MP-2021 Rates may be found at www.irs.gov/retirement-plans/pension-plan-mortality-tables.

Statement of Availability of IRS Documents

IRS Revenue Rulings, Revenue Procedures, and Notices cited in this document are published in the Internal Revenue Bulletin (or Cumulative Bulletin) and are available from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402, or by visiting the IRS website at www.irs.gov.

Special Analyses

Pursuant to the Memorandum of Agreement, Review of Treasury Regulations under Executive Order 12866 (June 9, 2023), tax regulatory actions issued by the IRS are not subject to the requirements of section 6 of Executive Order 12866, as amended. Therefore, a regulatory impact assessment is not required.

Pursuant to the Regulatory Flexibility Act (5 U.S.C. chapter 6), it is hereby certified that the regulations will not have a significant economic impact on a substantial number of small entities. The only provision that increases regulatory burden is § 1.430(h)(3)-1(b), which generally requires the use of generational mortality tables. However, under § 1.430(h)(3)-1(c), small entities are not required to use generational mortality tables. Therefore, these regulations will not have a significant economic impact on a substantial number of small entities.

Section 202 of the Unfunded Mandates Reform Act of 1995 requires that agencies assess anticipated costs and benefits and take certain other actions before issuing a final rule that includes any Federal mandate that may result in expenditures in any one year by a State, local, or tribal government, in the aggregate, or by the private sector, of \$100 million in 1995 dollars, updated annually for inflation. These regulations do not include any Federal mandate that may result in expenditures by State, local, or tribal governments, or by the private sector in excess of that threshold.

Executive Order 13132 (Federalism) prohibits an agency from publishing any rule that has federalism implications if the rule either imposes substantial, direct compliance costs on State and local governments, and is not required by statute, or preempts State law, unless the agency meets the consultation and funding requirements of section 6 of the Executive order. These regulations do not have federalism implications, impose substantial direct compliance costs on State and local governments, or preempt State law within the meaning of the Executive order.

Pursuant to section 7805(f) of the Code, the proposed regulations that preceded these regulations were submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on their impact on small business.

Pursuant to the Congressional Review Act (5 U.S.C. 801 et seq.), the Office of Information and Regulatory Affairs designated this rule as not a major rule, as defined by 5 U.S.C. 804(2).

Drafting Information

The principal authors of these regulations are Arslan Malik and Linda S. F. Marshall of the Office of Associate Chief Counsel (Employee Benefits, Exempt Organizations, and Employment Taxes). However, other personnel from the Treasury Department and the IRS participated in the development of these regulations.

List of Subjects in 26 CFR Part 1

Income taxes, Incorporation by reference, Reporting and recordkeeping requirements.

Amendments to the Regulations

Accordingly, 26 CFR part 1 is amended as follows:

PART 1—INCOME TAXES

Paragraph 1. The authority citation for part 1 continues to read, in part, as follows:

Authority: 26 U.S.C. 7805 * * *

Par. 2. Section 1.430(h)(3)-1 is revised to read as follows:

§ 1.430(h)(3)-1 Mortality tables used to determine present value.

(a) *Overview*—(1) *Standard mortality tables*. This section sets forth rules for the mortality tables to be used in determining present value or making any computation under section 430. These mortality tables include—

(i) Generational mortality tables described in paragraph (b) of this section; and

(ii) Static mortality tables for small plans described in paragraph (c) of this section.

(2) *Alternative tables*—(i) *Plan-specific mortality tables*. In lieu of using the mortality tables provided under this section, plan-specific substitute mortality tables are permitted to be used for purposes of section 430 pursuant to section 430(h)(3)(C), provided that the requirements of § 1.430(h)(3)-2 are satisfied.

(ii) *Disabled individuals*. In lieu of using the mortality tables provided under this section, mortality tables for disabled individuals are permitted to be used pursuant to section 430(h)(3)(D). These tables are provided in guidance published in the Internal Revenue Bulletin. See § 601.601(d) of this chapter.

(3) *Individuals not identified as either male or female*. The mortality tables in this section are applied for an individual based on the individual's gender. With respect to the portion of a plan's population for which male or female gender is not identified (for example, because an individual identifies as nonbinary or because the gender information for an individual is not available), the plan's actuary must use a reasonable approach for determining liability. Some reasonable approaches for these individuals include—

(i) Determining the liability for an individual for whom male or female gender is not identified as the weighted average of the liability calculated as if the individual were male and the liability calculated as if the individual were female, with an appropriate weighting that takes into account the distribution of gender for individuals in the plan’s population for whom gender is identified; and

(ii) Assigning either male or female status randomly to an individual for whom male or female gender is not identified in a manner that is expected to result in an appropriate proportion of males and females for the plan’s population that takes into account the distribution of gender for individuals in the plan’s population for whom gender is identified.

(b) *Generational mortality tables*—(1) *In general*—(i) *Construction of generational mortality tables*. The generational mortality tables that are permitted to be used under section 430(h)(3)(A) and paragraph (a)(1)(i) of this section are constructed from the base mortality tables described in paragraph (b)(1)(ii) of this section and the mortality improvement rates described in paragraph (b)(1)(iii) of this section, as adjusted in accordance with paragraph (b)(1)(v) of this section.

(ii) *Base mortality tables*. The base mortality tables are set forth in paragraph (d) of this section.

(iii) *Mortality improvement rates*—(A) *Mortality improvement rates for valuation dates occurring on or after January 1, 2024*. Except as otherwise provided in this paragraph (b)(1)(iii), the mortality improvement rates for valuation dates occurring on or after January 1, 2024, are

the 2024 Adjusted Scale MP-2021 Rates as incorporated by reference pursuant to paragraph (b)(1)(iv)(A) of this section.

(B) [Reserved.]

(iv) *Incorporation by reference*. The material listed in this paragraph (b)(1)(iv) is incorporated by reference into this section with the approval of the Director of the Federal Register under 5 U.S.C. 552(a) and 1 CFR part 51. This material is available for inspection at the IRS and at the National Archives and Records Administration (NARA). Contact IRS at: IRS Office of Chief Counsel, Qualified Plans Branch 1, CC:EEE:EB:QP1, 1111 Constitution Avenue NW, Washington, DC 20224; (202) 317-6700; www.irs.gov/retirement-plans/pension-plan-mortality-tables. For information on the availability of this material at NARA, visit www.archives.gov/federal-register/cfr/ibr-locations or email fr.inspection@nara.gov. The material may be obtained from IRS: www.irs.gov/retirement-plans/pension-plan-mortality-tables.

(A) 2024 Adjusted Scale MP-2021 Rates, dated August 11, 2023.

(B) [Reserved]

(2) *Application of mortality improvement rates*—(i) *In general*. Under the generational mortality tables described in this paragraph (b), the probability of an individual’s death at a particular age in the future is determined as the individual’s base mortality rate that applies at that age (that is, the applicable mortality rate from the tables set forth in paragraph (d) of this section for that age, gender, and status as an annuitant or a non-annuitant) multiplied by the cumulative mortality improvement factor for the individual’s

gender and for that age for the period from the base year for those mortality tables through the calendar year in which the individual is projected to reach the particular age. Paragraph (b)(3) of this section provides an example that shows how the base mortality tables in paragraph (d) of this section and the mortality improvement rates for valuation dates occurring during 2024 are combined to determine projected mortality rates.

(ii) *Cumulative mortality improvement factor*. The cumulative mortality improvement factor for an age and gender for a period is the product of the annual mortality improvement factors for that age and gender for each year within that period.

(iii) *Annual mortality improvement factor*. The annual mortality improvement factor for an age and gender for a year is 1 minus the mortality improvement rate that applies for that age and gender for that year. If that annual mortality improvement rate is greater than 1 (corresponding to a negative mortality improvement rate), then the projected mortality rate for that age and gender for that year is greater than the projected mortality rate for the same age and gender for the preceding year.

(3) *Example of calculation*—(i) *Calculation of mortality rate*. The mortality rate for 2024 that is applied to a male annuitant who is age 68 in 2024 is equal to the product of the mortality rate under paragraph (d) of this section for a male annuitant who was age 68 in 2012 (0.01418) and the cumulative mortality improvement factor calculated from the 2024 Adjusted Scale MP-2021 Rates for an age 68 male from 2012 to 2024. The cumulative mortality improvement factor for age 68 males for the period from 2012 to 2024 is 0.9827, and the mortality rate for 2024 for male annuitants who are age 68 in that year is 0.01393, as shown in the following table.

Table 1 to paragraph (b)(3)(i)

Calendar Year	Rate of Mortality Improvement from Prior Year to Current Year	Annual Mortality Improvement Factor (1- Mortality Improvement Rate)	Cumulative Mortality Improvement Factor	Mortality Rate
2012	n/a	n/a	n/a	0.01418
2013	0.0071	0.9929	0.9929	
2014	0.0047	0.9953	0.9882	
2015	0.0029	0.9971	0.9854	
2016	0.0017	0.9983	0.9837	
2017	0.0009	0.9991	0.9828	
2018	0.0001	0.9999	0.9827	
2019	(0.0001)	1.0001	0.9828	

Calendar Year	Rate of Mortality Improvement from Prior Year to Current Year	Annual Mortality Improvement Factor (1- Mortality Improvement Rate)	Cumulative Mortality Improvement Factor	Mortality Rate
2020	0.0001	0.9999	0.9827	
2021	0.0000	1.0000	0.9827	
2022	0.0000	1.0000	0.9827	
2023	0.0000	1.0000	0.9827	
2024	0.0000	1.0000	0.9827	0.01393

(ii) *Probability of survival for an individual.* After the projected mortality rates are derived for each age for each year, the rates are used to calculate the present value of a benefit stream that depends on the probability of survival year-by-year. For example, for purposes of calculating the present value (for a 2024 valuation date) of future payments in a benefit stream payable for a male annuitant who is age 68 in 2024, the probability of survival for the annuitant is based on the mortality rate for a male annuitant who is age 68 in 2024 (0.01393), and the projected mortality rate for a male annuitant who will be age 69 in 2025 (0.01507), age 70 in 2026 (0.01635), and so on.

(4) *Use of the tables—(i) Separate tables for annuitants and non-annuitants.* Separate mortality tables are provided for use with respect to annuitants and non-annuitants. The non-annuitant mortality tables are applied to determine the probability of survival for a non-annuitant for the period before the non-annuitant is projected to commence receiving benefits. The annuitant mortality tables are applied to determine the present value of benefits for each annuitant. In addition, the annuitant mortality tables are applied for each non-annuitant with respect to each assumed commencement of benefits for the period beginning with that assumed commencement. For purposes of this section, an annuitant means a plan participant who has commenced receiving benefits and a non-annuitant means a plan participant who has not yet commenced receiving benefits (for example, an active employee or a terminated vested participant). A participant whose benefit has partially commenced is treated as an annuitant with respect to the portion of the benefit that has commenced and treated as a non-annuitant with respect to the balance of the benefit. In addition, with respect to a beneficiary of a participant, the annuitant mortality tables apply for the period beginning with each assumed commencement of benefits for the participant. If the

participant has died (or to the extent the participant is assumed to die before commencing benefits), the annuitant mortality tables apply with respect to the beneficiary for the period beginning with each assumed commencement of benefits for the beneficiary.

(ii) *Examples of calculation using separate non-annuitant and annuitant tables.* With respect to a 45-year-old active participant who is projected to commence receiving an annuity at age 55, the funding target is determined using the non-annuitant mortality tables for the period before the participant attains age 55 and using the annuitant mortality tables for the period ages 55 and above. Similarly, for a 45-year-old terminated vested participant who is projected to commence an annuity at age 65, the funding target is determined using the non-annuitant mortality tables for the period before the participant attains age 65 and using the annuitant mortality tables for ages 65 and above.

(c) *Static mortality tables—(1) Availability of alternative tables for small plans—(i) In general.* As an alternative to the generational mortality tables defined in paragraph (b) of this section, static mortality tables may be used for a small plan. The static mortality tables described in this paragraph (c) are constructed from the separate non-annuitant and annuitant static mortality tables described in paragraph (c)(2)(i) of this section, combined using the procedure described in paragraph (c)(2)(ii) of this section.

(ii) *Definition of small plan.* For purposes of this paragraph (c), a small plan is defined as a plan with 500 or fewer total participants (including both active and inactive participants and beneficiaries of deceased participants) on the valuation date.

(iii) *Use of static mortality tables.* The static mortality tables that are used for a valuation date are the static mortality tables for the calendar year that includes the valuation date.

(iv) *Publication of mortality tables.* The static mortality tables for the 2024 calendar year are set forth in paragraph (e) of this section.

Note 1 to paragraph (c)(1)(iv): The static mortality tables for valuation dates occurring in later calendar years will be published in the Internal Revenue Bulletin. See § 601.601(d) of this chapter.

(2) *Development of static mortality tables—(i) Non-annuitant and annuitant mortality tables.* The non-annuitant and annuitant static mortality tables are determined using the base mortality tables described in paragraph (b)(1)(ii) of this section. The rates in those base mortality tables are adjusted using the mortality improvement rates described in paragraph (b)(1)(iii) of this section, in accordance with the rules set forth in paragraph (c)(3) of this section.

(ii) *Combined static mortality tables.* The static mortality tables described in this paragraph (c) are constructed from the separate non-annuitant and annuitant static mortality tables pursuant to paragraph (c)(2)(i) of this section, blended using the weighting factors in paragraph (d) of this section. The weighting factors are applied to develop these combined static tables using the following equation: Combined mortality rate = [non-annuitant rate * (1- weighting factor)] + [annuitant rate * weighting factor].

(3) *Projection of mortality improvements—(i) General rule.* Except as provided in paragraph (c)(3)(iii) of this section, the static mortality tables for a calendar year are determined by multiplying the applicable mortality rate for

each age from the base mortality tables by both—

(A) The cumulative mortality improvement factor (determined under paragraph (b)(2)(ii) of this section) for the period from 2012 through that calendar year; and

(B) The cumulative mortality improvement factor (determined under paragraph (b)(2)(ii) of this section) for the period beginning in that calendar year and continuing beyond that calendar year for the number of years in the projection period described in paragraph (c)(3)(ii) of this section.

(ii) *Projection period for static mortality tables*—(A) *In general.* The projection period is 8 years for males and 9 years for females, as adjusted based on age as provided in paragraph (c)(3)(ii)(B) of this section.

(B) *Age adjustment.* For ages below 80, the projection period is increased by 1 year for each year below age 80. For ages above 80, the projection period is reduced (but not below zero) by $\frac{1}{3}$ year for each year above 80.

(iii) *Fractional projection periods.* If for an age the number of years in the projection period determined under paragraph (c)(3)(ii) of this section is not a whole number, then the mortality rate for that age is determined by using linear interpolation between—

(A) The mortality rate for that age that would be determined under paragraph (c)(3)(i) of this section if the number of years in the projection period were the next lower whole number; and

(B) The mortality rate for that age that would be determined under paragraph (c)

(3)(i) of this section if the number of years in the projection period were the next higher whole number.

(iv) *Example.* For example, at age 85 the projection period for a male is $6\frac{2}{3}$ years (8 years minus $\frac{1}{3}$ year for each of the 5 years above age 80). For a valuation date in 2024, the mortality rate in the static mortality table for an 85-year-old male is based on a projection of mortality improvement for $6\frac{2}{3}$ years beyond 2024. Under paragraph (c)(3)(iii) of this section, the mortality rate for an 85-year-old male annuitant in the static mortality table for 2024 is $\frac{2}{3}$ times the projected mortality rate for a male annuitant that age in 2030 plus $\frac{1}{3}$ times the projected mortality rate for a male annuitant that age in 2031. Accordingly, the mortality rate for an 85-year-old male annuitant in the static mortality table for 2024 is 0.08126 ($\frac{2}{3}$ times the projected mortality rate for an 85-year-old male annuitant in 2030 (0.08146) plus $\frac{1}{3}$ times the projected mortality rate for an 85-year-old male annuitant in 2031 (0.08086)).

(d) *Base mortality tables.* The following are the base mortality tables. The base year for these tables is 2012.

Table 2 to paragraph (d)

Age	Males			Females		
	Non-Annuitant	Annuitant	Weighting Factor For Small Plans	Non-Annuitant	Annuitant	Weighting Factor For Small Plans
0	0.00650	0.00650	0.0000	0.00544	0.00544	0.0000
1	0.00045	0.00045	0.0000	0.00038	0.00038	0.0000
2	0.00030	0.00030	0.0000	0.00023	0.00023	0.0000
3	0.00022	0.00022	0.0000	0.00018	0.00018	0.0000
4	0.00019	0.00019	0.0000	0.00013	0.00013	0.0000
5	0.00016	0.00016	0.0000	0.00012	0.00012	0.0000
6	0.00014	0.00014	0.0000	0.00011	0.00011	0.0000
7	0.00013	0.00013	0.0000	0.00010	0.00010	0.0000
8	0.00011	0.00011	0.0000	0.00009	0.00009	0.0000
9	0.00009	0.00009	0.0000	0.00009	0.00009	0.0000
10	0.00008	0.00008	0.0000	0.00009	0.00009	0.0000
11	0.00009	0.00009	0.0000	0.00009	0.00009	0.0000
12	0.00013	0.00013	0.0000	0.00010	0.00010	0.0000
13	0.00017	0.00017	0.0000	0.00012	0.00012	0.0000
14	0.00022	0.00022	0.0000	0.00013	0.00013	0.0000
15	0.00028	0.00028	0.0000	0.00013	0.00013	0.0000
16	0.00034	0.00034	0.0000	0.00014	0.00014	0.0000
17	0.00040	0.00040	0.0000	0.00015	0.00015	0.0000
18	0.00046	0.00046	0.0000	0.00015	0.00015	0.0000
19	0.00053	0.00053	0.0000	0.00015	0.00015	0.0000
20	0.00056	0.00056	0.0000	0.00015	0.00015	0.0000
21	0.00056	0.00056	0.0000	0.00015	0.00015	0.0000
22	0.00056	0.00056	0.0000	0.00016	0.00016	0.0000
23	0.00055	0.00055	0.0000	0.00018	0.00018	0.0000

Age	Males			Females		
	Non-Annuitant	Annuitant	Weighting Factor For Small Plans	Non-Annuitant	Annuitant	Weighting Factor For Small Plans
24	0.00055	0.00055	0.0000	0.00019	0.00019	0.0000
25	0.00054	0.00054	0.0000	0.00019	0.00019	0.0000
26	0.00054	0.00054	0.0000	0.00019	0.00019	0.0000
27	0.00054	0.00054	0.0000	0.00020	0.00020	0.0000
28	0.00054	0.00054	0.0000	0.00020	0.00020	0.0000
29	0.00054	0.00054	0.0000	0.00020	0.00020	0.0000
30	0.00055	0.00055	0.0000	0.00021	0.00021	0.0000
31	0.00055	0.00055	0.0000	0.00022	0.00022	0.0000
32	0.00056	0.00056	0.0000	0.00023	0.00023	0.0000
33	0.00058	0.00058	0.0000	0.00025	0.00025	0.0000
34	0.00059	0.00059	0.0000	0.00026	0.00026	0.0000
35	0.00061	0.00061	0.0000	0.00028	0.00028	0.0000
36	0.00063	0.00063	0.0000	0.00031	0.00031	0.0000
37	0.00065	0.00065	0.0000	0.00034	0.00034	0.0000
38	0.00068	0.00068	0.0000	0.00036	0.00036	0.0000
39	0.00071	0.00071	0.0000	0.00040	0.00040	0.0000
40	0.00074	0.00074	0.0000	0.00043	0.00043	0.0000
41	0.00077	0.00082	0.0008	0.00047	0.00049	0.0010
42	0.00081	0.00099	0.0016	0.00051	0.00061	0.0020
43	0.00086	0.00124	0.0024	0.00055	0.00078	0.0030
44	0.00091	0.00158	0.0032	0.00060	0.00101	0.0040
45	0.00097	0.00200	0.0040	0.00065	0.00130	0.0051
46	0.00105	0.00251	0.0047	0.00071	0.00165	0.0061
47	0.00113	0.00310	0.0055	0.00077	0.00206	0.0071
48	0.00123	0.00378	0.0063	0.00083	0.00252	0.0081
49	0.00134	0.00454	0.0071	0.00090	0.00304	0.0091
50	0.00147	0.00539	0.0079	0.00098	0.00362	0.0101
51	0.00161	0.00544	0.0140	0.00107	0.00426	0.0185
52	0.00177	0.00565	0.0209	0.00116	0.00495	0.0262
53	0.00194	0.00588	0.0302	0.00126	0.00500	0.0349
54	0.00213	0.00616	0.0430	0.00137	0.00512	0.0449
55	0.00234	0.00647	0.0898	0.00148	0.00517	0.0853
56	0.00257	0.00686	0.1676	0.00161	0.00522	0.1535
57	0.00281	0.00728	0.2153	0.00175	0.00528	0.1923
58	0.00308	0.00770	0.2635	0.00190	0.00561	0.2291
59	0.00338	0.00811	0.3144	0.00206	0.00601	0.2680
60	0.00369	0.00848	0.3821	0.00224	0.00643	0.3192
61	0.00403	0.00882	0.4579	0.00243	0.00690	0.3731
62	0.00441	0.00918	0.5935	0.00264	0.00743	0.4705
63	0.00481	0.00960	0.7153	0.00287	0.00796	0.5668
64	0.00525	0.01014	0.7764	0.00312	0.00859	0.6230
65	0.00573	0.01087	0.8454	0.00339	0.00928	0.7172
66	0.00636	0.01178	0.9002	0.00380	0.01003	0.8006
67	0.00706	0.01288	0.9275	0.00427	0.01089	0.8414
68	0.00784	0.01418	0.9431	0.00480	0.01192	0.8658
69	0.00870	0.01564	0.9547	0.00540	0.01309	0.8857

Age	Males			Females		
	Non-Annuitant	Annuitant	Weighting Factor For Small Plans	Non-Annuitant	Annuitant	Weighting Factor For Small Plans
70	0.00967	0.01729	0.9642	0.00606	0.01444	0.9046
71	0.01073	0.01914	0.9732	0.00681	0.01597	0.9240
72	0.01192	0.02121	0.9791	0.00765	0.01770	0.9365
73	0.01323	0.02354	0.9823	0.00860	0.01967	0.9437
74	0.01469	0.02613	0.9847	0.00966	0.02192	0.9512
75	0.01632	0.02905	0.9868	0.01085	0.02445	0.9568
76	0.01812	0.03233	0.9889	0.01219	0.02727	0.9637
77	0.02012	0.03604	0.9906	0.01370	0.03042	0.9682
78	0.02234	0.04026	0.9920	0.01539	0.03391	0.9727
79	0.02480	0.04504	0.9935	0.01729	0.03775	0.9765
80	0.02754	0.05046	1.0000	0.01943	0.04198	1.0000
81	0.02989	0.05657	1.0000	0.02134	0.04663	1.0000
82	0.03460	0.06343	1.0000	0.02516	0.05178	1.0000
83	0.04166	0.07114	1.0000	0.03089	0.05754	1.0000
84	0.05108	0.07977	1.0000	0.03853	0.06401	1.0000
85	0.06285	0.08946	1.0000	0.04808	0.07132	1.0000
86	0.07698	0.10032	1.0000	0.05955	0.07954	1.0000
87	0.09346	0.11248	1.0000	0.07293	0.08879	1.0000
88	0.11229	0.12600	1.0000	0.08822	0.09936	1.0000
89	0.13348	0.14088	1.0000	0.10542	0.11124	1.0000
90	0.15703	0.15703	1.0000	0.12453	0.12453	1.0000
91	0.17401	0.17401	1.0000	0.13818	0.13818	1.0000
92	0.19151	0.19151	1.0000	0.15250	0.15250	1.0000
93	0.20936	0.20936	1.0000	0.16737	0.16737	1.0000
94	0.22742	0.22742	1.0000	0.18274	0.18274	1.0000
95	0.24569	0.24569	1.0000	0.19863	0.19863	1.0000
96	0.26415	0.26415	1.0000	0.21509	0.21509	1.0000
97	0.28281	0.28281	1.0000	0.23214	0.23214	1.0000
98	0.30169	0.30169	1.0000	0.24983	0.24983	1.0000
99	0.32077	0.32077	1.0000	0.26814	0.26814	1.0000
100	0.33996	0.33996	1.0000	0.28698	0.28698	1.0000
101	0.35910	0.35910	1.0000	0.30619	0.30619	1.0000
102	0.37794	0.37794	1.0000	0.32549	0.32549	1.0000
103	0.39633	0.39633	1.0000	0.34472	0.34472	1.0000
104	0.41415	0.41415	1.0000	0.36375	0.36375	1.0000
105	0.43131	0.43131	1.0000	0.38243	0.38243	1.0000
106	0.44771	0.44771	1.0000	0.40065	0.40065	1.0000
107	0.46329	0.46329	1.0000	0.41828	0.41828	1.0000
108	0.47800	0.47800	1.0000	0.43522	0.43522	1.0000
109	0.49181	0.49181	1.0000	0.45139	0.45139	1.0000
110	0.50000	0.50000	1.0000	0.46673	0.46673	1.0000
111	0.50000	0.50000	1.0000	0.48120	0.48120	1.0000
112	0.50000	0.50000	1.0000	0.49477	0.49477	1.0000
113	0.50000	0.50000	1.0000	0.50000	0.50000	1.0000
114	0.50000	0.50000	1.0000	0.50000	0.50000	1.0000
115	0.50000	0.50000	1.0000	0.50000	0.50000	1.0000

Age	Males			Females		
	Non-Annuitant	Annuitant	Weighting Factor For Small Plans	Non-Annuitant	Annuitant	Weighting Factor For Small Plans
116	0.50000	0.50000	1.0000	0.50000	0.50000	1.0000
117	0.50000	0.50000	1.0000	0.50000	0.50000	1.0000
118	0.50000	0.50000	1.0000	0.50000	0.50000	1.0000
119	0.50000	0.50000	1.0000	0.50000	0.50000	1.0000
120	1.00000	1.00000	1.0000	1.00000	1.00000	1.0000

(e) *Static tables for 2024.* The following static mortality tables are used pursuant to paragraph (a)(1)(ii) of this section for determining present value or making any computation under section 430 with respect to valuation dates occurring during 2024.

Table 3 to paragraph (e)

Age	Male	Female
0	0.00356	0.00306
1	0.00025	0.00022
2	0.00017	0.00013
3	0.00012	0.00010
4	0.00011	0.00008
5	0.00009	0.00007
6	0.00008	0.00007
7	0.00008	0.00006
8	0.00006	0.00005
9	0.00005	0.00005
10	0.00005	0.00006
11	0.00005	0.00006
12	0.00008	0.00006
13	0.00010	0.00008
14	0.00013	0.00008
15	0.00017	0.00008
16	0.00021	0.00009
17	0.00025	0.00010
18	0.00029	0.00010
19	0.00034	0.00010
20	0.00036	0.00010
21	0.00037	0.00010
22	0.00037	0.00011
23	0.00038	0.00013
24	0.00039	0.00014
25	0.00040	0.00014
26	0.00041	0.00015
27	0.00043	0.00016
28	0.00044	0.00016
29	0.00046	0.00017
30	0.00049	0.00018
31	0.00050	0.00019
32	0.00053	0.00021

Age	Male	Female
33	0.00056	0.00023
34	0.00059	0.00024
35	0.00062	0.00026
36	0.00065	0.00029
37	0.00067	0.00031
38	0.00070	0.00032
39	0.00072	0.00035
40	0.00074	0.00037
41	0.00075	0.00039
42	0.00077	0.00041
43	0.00079	0.00043
44	0.00081	0.00045
45	0.00084	0.00048
46	0.00088	0.00051
47	0.00092	0.00055
48	0.00098	0.00059
49	0.00104	0.00064
50	0.00113	0.00070
51	0.00124	0.00080
52	0.00137	0.00090
53	0.00153	0.00101
54	0.00173	0.00115
55	0.00206	0.00138
56	0.00253	0.00170
57	0.00296	0.00195
58	0.00344	0.00225
59	0.00397	0.00258
60	0.00458	0.00299
61	0.00523	0.00343
62	0.00615	0.00409
63	0.00703	0.00478
64	0.00774	0.00537
65	0.00861	0.00619
66	0.00957	0.00707
67	0.01054	0.00786
68	0.01163	0.00871
69	0.01283	0.00968
70	0.01419	0.01082
71	0.01575	0.01217
72	0.01750	0.01368
73	0.01949	0.01540
74	0.02175	0.01742
75	0.02433	0.01975
76	0.02729	0.02240
77	0.03069	0.02540
78	0.03460	0.02878
79	0.03912	0.03254
80	0.04442	0.03715
81	0.05008	0.04158

Age	Male	Female
82	0.05649	0.04650
83	0.06372	0.05202
84	0.07192	0.05823
85	0.08126	0.06527
86	0.09180	0.07337
87	0.10364	0.08255
88	0.11688	0.09305
89	0.13148	0.10480
90	0.14733	0.11790
91	0.16404	0.13141
92	0.18111	0.14547
93	0.19847	0.16007
94	0.21588	0.17495
95	0.23319	0.19020
96	0.25152	0.20655
97	0.27010	0.22354
98	0.28899	0.24127
99	0.30836	0.25965
100	0.32788	0.27862
101	0.34742	0.29799
102	0.36672	0.31750
103	0.38574	0.33705
104	0.40436	0.35650
105	0.42191	0.37576
106	0.43897	0.39452
107	0.45520	0.41279
108	0.47064	0.43024
109	0.48536	0.44694
110	0.49448	0.46282
111	0.49552	0.47794
112	0.49656	0.49215
113	0.49756	0.49820
114	0.49870	0.49900
115	0.49975	0.49980
116	0.49990	0.49990
117	0.49995	0.50000
118	0.50000	0.50000
119	0.50000	0.50000
120	1.00000	1.00000

(f) *Applicability date.* This section applies for valuation dates occurring on or after January 1, 2024.

Par. 3. Section 1.430(h)(3)-2 is amended by:

a. In paragraph (c)(3)(ii) deleting the text “§ 1.430(h)(3)-1(a)(2)(i)(E)” and adding in its place “§ 1.430(h)(3)-1(b)(2)(ii)”;

b. Revising paragraph (c)(6)(ii)(E); and

c. In paragraph (d)(4)(iii)(A):

i. Deleting the text “§ 1.430(h)(3)-1(a)(2)(i)(E)” and adding in its place “§ 1.430(h)(3)-1(b)(2)(ii)”;

ii. Deleting “2006” and adding in its place “2012”; and

iii. Deleting the text “§ 1.430(h)(3)-1(a)(2)(i)(C)” and adding in its place “§ 1.430(h)(3)-1(b)(1)(iii).”

The revision reads as follows:

§ 1.430(h)(3)-2 Plan-specific substitute mortality tables used to determine present value.

(c) ***

(6) ***

(ii) ***

(E) The date specified in guidance published in the Internal Revenue Bulletin (see

§ 601.601(d) of this chapter) in conjunction with a replacement of mortality tables specified under section 430(h)(3)(A) and § 1.430(h)(3)-1 (other than changes to the mortality improvement rates under § 1.430(h)(3)-1(b)(1)(iii) or annual updates to the static mortality tables issued as noted in § 1.430(h)(3)-1(c)(1)(iv)).

Par. 4. Section 1.431(c)(6)-1 is revised to read as follows:

§ 1.431(c)(6)-1 Mortality tables used to determine current liability.

(a) *Mortality tables used to determine current liability.* In accordance with section 431(c)(6)(D), the mortality assumptions that apply to a single-employer defined benefit plan for the plan year pursuant to section 430(h)(3)(A) and (D) and §§ 1.430(h)(3)-1(a)(1) and (a)(2)(ii) are used to determine a multiemployer plan's current liability for purposes of applying the rules of section 431(c)(6). For purposes of this paragraph (a), either the generational mortality tables used pursuant to

§ 1.430(h)(3)-1(b) or the static mortality tables used pursuant to § 1.430(h)(3)-1(c) are permitted to be used without regard to whether the plan is a small plan. However, substitute mortality tables under §§ 1.430(h)(3)-1(a)(2)(i) and 1.430(h)(3)-2 are not permitted to be used for purposes of this paragraph (a).

(b) *Applicability date.* This section applies for valuation dates occurring on or after January 1, 2024.

Par. 5. Section 1.433(h)(3)-1 is revised to read as follows:

§ 1.433(h)(3)-1 Mortality tables used to determine current liability.

(a) *Mortality tables used to determine current liability.* In accordance with section 433(h)(3)(B), the mortality assumptions that apply to a single-employer defined benefit plan for the plan year pursuant to section 430(h)(3)(A) and (D) and §§ 1.430(h)(3)-1(a)(1) and (a)(2)(ii) are used to determine a cooperative and small employer charity (CSEC) plan's current liability under section 433(h). For

purposes of this paragraph (a), either the generational mortality tables used pursuant to § 1.430(h)(3)-1(b) or the static mortality tables used pursuant to § 1.430(h)(3)-1(c) are permitted to be used without regard to whether the plan is a small plan as defined in § 1.430(h)(3)-1(c)(1)(ii). However, substitute mortality tables under §§ 1.430(h)(3)-1(a)(2)(i) and 1.430(h)(3)-2 are not permitted to be used for purposes of this paragraph (a).

(b) *Applicability date.* This section applies for valuation dates occurring on or after January 1, 2024.

Douglas W. O'Donnell,
Deputy Commissioner for Services and Enforcement.

Approved: October 4, 2023.

Lily L. Batchelder,
Assistant Secretary of the Treasury
(Tax Policy).

(Filed by the Office of the Federal Register October 19, 2023, 8:45 a.m., and published in the issue of the Federal Register for October 20, 2023, 88 FR 72357)

Part IV

Deletions From Cumulative List of Organizations, Contributions to Which are Deductible Under Section 170 of the Code

Announcement 2023-31

The Internal Revenue Service has revoked its determination that the organizations listed below qualify as organizations described in sections 501(c)(3) and 170(c)(2) of the Internal Revenue Code of 1986.

Generally, the IRS will not disallow deductions for contributions made to a listed organization on or before the date of announcement in the Internal Revenue Bulletin that an organization no longer qualifies. However, the IRS is not precluded from disallowing a deduction for any contributions made after an organization ceases to qualify under section 170(c)(2) if the organization has not timely filed a suit for declaratory judgment under section 7428 and if the contributor (1) had knowledge of the revocation of the ruling or determination letter, (2) was aware that such revocation was imminent, or (3) was in part responsible for or was aware of the activities or omissions of the organization that brought about this revocation.

If on the other hand a suit for declaratory judgment has been timely filed, contributions from individuals and organizations described in section 170(c)(2) that are otherwise allowable will continue to be deductible. Protection under section 7428(c) would begin on November 13, 2023 and would end on the date the court first determines the organization is not described in section 170(c)(2) as more particularly set for in section 7428(c)(1). For individual contributors, the maximum deduction protected is \$1,000, with a husband and wife treated as one contributor. This benefit is not extended to any individual, in whole or in part, for the acts or omissions of the organization that were the basis for revocation.

NAME OF ORGANIZATION	Effective Date Of Revocation	LOCATION
ST. JOHNS HOUSE LEARNING AND DEVELOPMENT CENTER INC	08/01/2020	HUNTINGTON, WEST VIRGINIA
VILLAGERS FOR TRUMP INC	12/31/2019	THE VILLAGE, FL
UNISON DUET MUSIC PRODUCTION INC	09/19/2018	GLENDALE, CA

Notice of Proposed Rulemaking

Plan-Specific Substitute Mortality Tables for Determining Present Value

REG-103525-23

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking.

SUMMARY: This document sets forth proposed regulations that would update the requirements that a plan sponsor of a single-employer defined benefit plan must meet to obtain IRS approval to use mortality tables specific to the plan in calculating present value for minimum funding purposes (as a substitute for the generally applicable mortality tables). These regulations would affect participants in, beneficiaries of, employers maintaining, and administrators of certain retirement plans.

DATES: Written or electronic comments and requests for a public hearing must be received by December 19, 2023.

ADDRESSES: Commenters are strongly encouraged to submit public comments electronically. Submit electronic submissions via the Federal eRulemaking Portal at www.regulations.gov (indicate IRS and REG-103525-23) by following the online instructions for submitting comments. Requests for a public hearing must be submitted as prescribed in the “Comments and Requests for a Public Hearing” section. Once submitted to the Federal eRulemaking Portal, comments cannot be edited or withdrawn. The Department of the Treasury (Treasury Department) and the IRS will publish for public availability any comments submitted to the IRS’s

public docket. Send paper submissions to: CC:PA:LPD:PR (REG-103525-23), room 5203, Internal Revenue Service, PO Box 7604, Ben Franklin Station, Washington, DC 20044.

FOR FURTHER INFORMATION CONTACT: Concerning the regulations, Arslan Malik or Linda S. F. Marshall at (202) 317-6700 (not a toll-free number); concerning submissions of comments and requests for a public hearing, Vivian Hayes at (202) 317-6901 (not a toll-free number) or by sending an email to publichearings@irs.gov (preferred).

SUPPLEMENTARY INFORMATION:

Background

Section 412 of the Internal Revenue Code (Code) prescribes minimum funding requirements for defined benefit pension plans. Section 430 specifies the minimum funding requirements that apply generally to defined benefit plans that are single-employer plans (that is, not multiemployer plans).¹ For a plan subject to section 430, section 430(a) defines the minimum required contribution for a plan year by reference to the plan’s funding target for the plan year. Under section 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 to be used under section 430. Under section 430(h)(3)(A), except as provided in section 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 section 430. Section 430(h)(3)(C) prescribes rules for a plan sponsor’s use of substitute mortality tables reflecting the specific mortality experience of a plan’s population instead of using the generally applicable mortality tables. Under section 430(h)(3)(C), the plan sponsor may request the Secretary’s approval to use plan-specific

substitute mortality tables that meet requirements specified in the statute. If the Secretary determines that the proposed tables meet the statutory standards and approves the request, the substitute mortality tables are used to determine present values and make computations under section 430 during the period of consecutive plan years (not to exceed 10) specified in the request.

Under section 430(h)(3)(C)(iii), a substitute mortality table may be used for a plan only if: (1) the plan has a sufficient number of plan participants and has been maintained for a sufficient period of time to have credible mortality information necessary to create a substitute mortality table; and (2) the table reflects the actual mortality experience of the plan’s participants and projected trends in general mortality experience. Except as provided by the Secretary, a plan sponsor may not use substitute mortality tables for any plan unless substitute mortality tables are established and used for each plan maintained by the plan sponsor or a member of its controlled group.

Final regulations (TD 9826) under section 430(h)(3) were published in the **Federal Register** on October 5, 2017 (82 FR 46388). The final regulations issued in 2017 include rules regarding generally applicable mortality tables, which are set forth in §1.430(h)(3)-1 (the 2017 general mortality table regulations), as well as rules regarding substitute mortality tables, which are set forth in §1.430(h)(3)-2 (the 2017 substitute mortality table regulations). The 2017 substitute mortality table regulations provide that any substitute mortality tables must be based on the plan’s mortality experience during an experience study period that consists of 2, 3, 4, or 5 consecutive 12-month periods. In conjunction with the 2017 substitute mortality table regulations, the Department of the Treasury (Treasury Department) and the IRS issued Rev. Proc. 2017-55, 2017-43 IRB 373, which sets forth the procedure by which a plan sponsor of a defined benefit plan may request and obtain approval

¹ Section 302 of the Employee Retirement Income Security Act of 1974, Pub. L. No. 93-406, 88 Stat. 829 (1974), as amended (ERISA), sets forth funding rules that are parallel to those in section 412 of the Code, and section 303 of ERISA sets forth additional funding rules for defined benefit plans (other than multiemployer plans) that are parallel to those in section 430 of the Code. Pursuant to section 101 of Reorganization Plan No. 4 of 1978, 5 U.S.C. App., as amended, the Secretary of the Treasury has interpretive jurisdiction over the subject matter addressed in these proposed regulations for purposes of ERISA, as well as the Code. Thus, these proposed Treasury regulations issued under section 430 of the Code would also apply for purposes of section 303 of ERISA.

for the use of plan-specific substitute mortality tables.

Beginning in 2020 and extending into 2023, for many pension plans, the mortality experience of the plan participants was significantly higher than expected due to the COVID-19 pandemic. The Treasury Department and the IRS are concerned that, if a plan sponsor applied for approval of plan-specific substitute mortality tables using an experience study period that reflects the actual mortality experience for the plan's population during those years, then the existing rules and procedures used for generating those tables would result in plan-specific substitute mortality tables that overstate the expected future mortality for the plan's population. This is because substitute mortality tables are constructed based on a mortality ratio calculated for the plan's population, which is determined by dividing the actual mortality experience for plan participants during the experience study period by the expected mortality under the generally applicable mortality tables. In the absence of any changes to the rules and procedures for generating plan-specific substitute mortality tables, a mortality ratio developed using an experience study period that includes the period in which the COVID-19 pandemic occurred (COVID-19 pandemic period) will likely be unusually high, as the numerator of the mortality ratio (the plan's actual experience) will reflect the actual number of deaths during this period, while the denominator of that ratio (the expected deaths for the plan population) will be based on the expected number of deaths from the generally applicable mortality tables (which reflect only a small fraction of the significant short-term increase in mortality rates that occurred during the COVID-19 pandemic period).

The Treasury Department and the IRS are issuing final regulations updating the generally applicable mortality tables under section 430(h)(3)(A) (TD 9983) in the Rules and Regulations section of this issue of the **Federal Register**. Those final

regulations adopt mortality tables that are based on the mortality tables in the Pri-2012 Private Retirement Plans Mortality Tables Report (Pri-2012),² which were developed using the mortality experience for private sector pension plans during the period from 2010 to 2014. In light of the fact that the Pri-2012 mortality tables did not reflect any mortality experience from the COVID-19 pandemic period, the preamble to the proposed regulations that preceded those final regulations asked for comments about whether the rules and procedures relating to development of substitute mortality tables should be modified to recognize the potential that the mortality experience for the COVID-19 pandemic period is not accurately predictive of the future mortality experience for participants of a plan for which substitute mortality tables are requested. In response, commenters suggested various solutions that included: (1) excluding mortality data from the COVID-19 pandemic period, (2) applying a reduced weight to the mortality data from the COVID-19 pandemic period in developing the substitute mortality tables, (3) extending the duration of the experience study period (which has a similar effect of reducing the weight of the mortality data for that period), and (4) computing the mortality ratio for a substitute mortality table by comparing pre-2020 data to the Pri-2012 base mortality table and post-2019 data to the Pri-2012 base mortality table (as projected) with a specified load.

Explanation of Provisions

These proposed regulations would generally retain the methodology for development of substitute mortality tables included in the 2017 substitute mortality table regulations but provide additional rules regarding the use of mortality experience data for the COVID-19 pandemic period. In order to develop a mortality ratio that is more accurately predictive of future mortality experience for a plan population, these proposed regulations would

provide that the expected deaths for the plan population used in determining the denominator in the mortality ratio are calculated by adjusting the mortality rates in the generally applicable mortality tables. Specifically, the proposed regulations would provide that, for each 12-month period that is included in the experience study period and that begins after 2019 and before 2024, the expected mortality rate for an individual is determined by multiplying the expected mortality rate for that individual from the standard mortality tables by an adjustment factor.³ The adjustment factor for each of these years would approximate the ratio (as reported by the National Center for Health Statistics, which is part of the Centers for Disease Control and Prevention)⁴ of (1) the actual number of deaths for the general population for the year to (2) the expected number of deaths for the general population for that year.

Applicability Date

The proposed regulations are proposed to apply for plan years beginning on or after January 1, 2025.

Statement of Availability of IRS Documents

IRS Revenue Rulings, Revenue Procedures, and Notices cited in this document are published in the Internal Revenue Bulletin (or Cumulative Bulletin) and are available from the Superintendent of Documents, U.S. Government Publishing Office, Washington, DC 20402, or by visiting the IRS website at www.irs.gov.

Special Analyses

Pursuant to the Memorandum of Agreement, Review of Treasury Regulations under Executive Order 12866 (June 9, 2023), tax regulatory actions issued by the IRS are not subject to the requirements of section 6 of Executive Order 12866, as amended. Therefore,

²The Pri-2012 Report can be found at: <https://www.soa.org/49c106/globalassets/assets/files/resources/experience-studies/2019/pri-2012-mortality-tables-report.pdf>.

³This approach is similar to the fourth approach suggested by commenters, as described in the Background section of this preamble because a direct adjustment to the expected mortality rates during the COVID-19 pandemic period would be more appropriate than calculating mortality ratios using an approach that either ignores the mortality experience during the COVID-19 pandemic period or reduces the weighting of that experience.

⁴https://www.cdc.gov/nchs/nvss/vsrr/covid19/excess_deaths.htm

a regulatory impact assessment is not required.

It is hereby certified that this proposed rule will not have a significant economic impact on a substantial number of small entities. Small employers generally cannot use plan-specific substitute mortality tables because their defined benefit pension plans do not have credible mortality experience (which is defined as a minimum number of deaths during the experience study period) as is required to use substitute mortality tables. Therefore, a regulatory flexibility analysis under the Regulatory Flexibility Act is not required.

Pursuant to section 7805(f) of the Code, these proposed regulations will be submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on their impact on small business.

Section 202 of the Unfunded Mandates Reform Act of 1995 requires that agencies assess anticipated costs and benefits and take certain other actions before issuing a final rule that includes any Federal mandate that may result in expenditures in any one year by a State, local, or Tribal government, in the aggregate, or by the private sector, of \$100 million in 1995 dollars, updated annually for inflation. The proposed regulations do not propose any rule that would include any Federal mandate that may result in expenditures by State, local, or Tribal governments, or by the private sector in excess of that threshold.

Executive Order 13132 (Federalism) prohibits an agency from publishing any rule that has federalism implications if the rule either imposes substantial, direct compliance costs on State and local governments, and is not required by statute, or preempts State law, unless the agency meets the consultation and funding requirements of section 6 of the Executive order. The proposed regulations do not propose rules that would have federalism implications, impose substantial direct compliance costs on State and local governments, or preempt State law within the meaning of the Executive order.

Comments and Requests for a Public Hearing

Consideration will be given to comments that are submitted timely to the

IRS as prescribed in the preamble under the **ADDRESSES** section. The Treasury Department and the IRS request comments on all aspects of these proposed regulations. Any comments submitted will be made available at www.regulations.gov or upon request.

A public hearing will be scheduled if requested in writing by any person who timely submits electronic or written comments. Requests for a public hearing are also encouraged to be made electronically. If a public hearing is scheduled, notice of the date and time for the public hearing will be published in the **Federal Register**.

Drafting Information

The principal authors of these regulations are Arslan Malik and Linda S. F. Marshall of the Office of Associate Chief Counsel (Employee Benefits, Exempt Organizations, and Employment Taxes). However, other personnel from Treasury and the IRS participated in the development of these regulations.

List of Subjects in 26 CFR Part 1

Income taxes, Reporting and record-keeping requirements.

Proposed Amendments to the Regulations

Accordingly, the Treasury Department and the IRS propose to amend 26 CFR part 1 as follows:

PART 1--INCOME TAXES

Paragraph 1. The authority citation for part 1 continues to read, in part, as follows:

Authority: 26 U.S.C. 7805 * * *

Par. 2. Section 1.430(h)(3)-2 is amended by:

a. In paragraph (a) removing “§ 601.601(d)(2)(ii)(b)” and adding in its place “§ 601.601(d)”;

b. In paragraph (d)(2)(ii)(B) removing the text “January 1, 2019 year is” and adding in its place the text “January 1, 2019 is”;

c. Revising paragraph (d)(4)(iii)(A).

d. Redesignating paragraph (d)(4)(iii)(B) as paragraph (d)(4)(iii)(C) and adding a new paragraph (d)(4)(iii)(B).

e. Revising paragraph (g).

The additions and revisions read as follows:

§1.430(h)(3)-2 Plan-specific substitute mortality tables used to determine present value.

* * * * *

(d) * * *

(4) * * *

(iii) * * *

(A) *Projection of base table.* Except as otherwise provided in this paragraph (d)(4)(iii), the standard mortality table for a year is the mortality table determined by applying cumulative mortality improvement factors determined under §1.430(h)(3)-1(b)(2)(ii) to the base mortality table under §1.430(h)(3)-1(d) for the period beginning with the base year for that mortality table and ending in the base year for the base substitute mortality table determined under paragraph (c)(3)(ii) of this section. For purposes of the preceding sentence, the cumulative mortality improvement factors are determined using the mortality improvement rates described in §1.430(h)(3)-1(b)(1)(iii) that apply for the calendar year during which the plan sponsor submits the request for approval to use substitute mortality tables.

(B) *Adjustments to standard mortality table for 2020, 2021, 2022, and 2023.* If a 12-month period in the experience study period begins after December 31, 2019, and before January 1, 2024, the probability of death for an individual under paragraph (d)(4)(ii)(A)(2)(i) of this section is determined as the mortality rate for the individual's age (at the beginning of the year) and gender from the standard mortality table determined under paragraph (d)(4)(iii) of this section multiplied by the adjustment factor in Table 1 for the calendar year that includes the first day of the 12-month period. For example, for an experience study period that begins April 1, 2019, and ends March 31, 2023, the probability of death for the year beginning April 1, 2022, for a male annuitant who is age 65 as of that date is the probability of death from the base mortality table (0.01087), multiplied by the cumulative mortality improvement factor for the period from 2012 to 2021 (1.02292) and by the adjustment factor for the 2022

calendar year of 1.10, resulting in a probability of death of 0.01223.

Table 1 to paragraph (d)(4)(iii)(B):

<i>Calendar Year</i>	<i>Adjustment Factor</i>
2020	1.15
2021	1.15
2022	1.10
2023	1.05

* * * * *

(g) *Applicability date*--(1) *General rule*. This section applies for plan years beginning on or after January 1, 2025. Except as provided in paragraph (g)(2) of this section, the substitute mortality table used for a plan for such a plan year must comply with the rules of paragraphs (a) through (f) of this section.

(2) *Transition rule for previously approved substitute mortality tables*. If a plan sponsor has received approval from the Commissioner to use substitute mortality tables for a plan year beginning

in 2025, then the plan's base substitute mortality tables that were approved are treated as satisfying the requirements of paragraph (d) or (e) of this section, as applicable.

Douglas W. O'Donnell,
Deputy Commissioner for Services and Enforcement.

(Filed by the Office of the Federal Register October 19, 2023, 8:45 a.m., and published in the issue of the Federal Register for October 20, 2023, 88 FR 72409)

Definition of Terms

Revenue rulings and revenue procedures (hereinafter referred to as "rulings") that have an effect on previous rulings use the following defined terms to describe the effect:

Amplified describes a situation where no change is being made in a prior published position, but the prior position is being extended to apply to a variation of the fact situation set forth therein. Thus, if an earlier ruling held that a principle applied to A, and the new ruling holds that the same principle also applies to B, the earlier ruling is amplified. (Compare with *modified*, below).

Clarified is used in those instances where the language in a prior ruling is being made clear because the language has caused, or may cause, some confusion. It is not used where a position in a prior ruling is being changed.

Distinguished describes a situation where a ruling mentions a previously published ruling and points out an essential difference between them.

Modified is used where the substance of a previously published position is being changed. Thus, if a prior ruling held that a principle applied to A but not to B, and the

new ruling holds that it applies to both A and B, the prior ruling is modified because it corrects a published position. (Compare with *amplified* and *clarified*, above).

Obsoleted describes a previously published ruling that is not considered determinative with respect to future transactions. This term is most commonly used in a ruling that lists previously published rulings that are obsoleted because of changes in laws or regulations. A ruling may also be obsoleted because the substance has been included in regulations subsequently adopted.

Revoked describes situations where the position in the previously published ruling is not correct and the correct position is being stated in a new ruling.

Superseded describes a situation where the new ruling does nothing more than restate the substance and situation of a previously published ruling (or rulings). Thus, the term is used to republish under the 1986 Code and regulations the same position published under the 1939 Code and regulations. The term is also used when it is desired to republish in a single ruling a series of situations, names, etc., that were previously published over a period of time in separate rulings. If the

new ruling does more than restate the substance of a prior ruling, a combination of terms is used. For example, *modified* and *superseded* describes a situation where the substance of a previously published ruling is being changed in part and is continued without change in part and it is desired to restate the valid portion of the previously published ruling in a new ruling that is self contained. In this case, the previously published ruling is first modified and then, as modified, is superseded.

Supplemented is used in situations in which a list, such as a list of the names of countries, is published in a ruling and that list is expanded by adding further names in subsequent rulings. After the original ruling has been supplemented several times, a new ruling may be published that includes the list in the original ruling and the additions, and supersedes all prior rulings in the series.

Suspended is used in rare situations to show that the previous published rulings will not be applied pending some future action such as the issuance of new or amended regulations, the outcome of cases in litigation, or the outcome of a Service study.

Abbreviations

The following abbreviations in current use and formerly used will appear in material published in the Bulletin.

A—Individual.
Acq.—Acquiescence.
B—Individual.
BE—Beneficiary.
BK—Bank.
B.T.A.—Board of Tax Appeals.
C—Individual.
C.B.—Cumulative Bulletin.
CFR—Code of Federal Regulations.
CI—City.
COOP—Cooperative.
Ct.D.—Court Decision.
CY—County.
D—Decedent.
DC—Dummy Corporation.
DE—Donee.
Del. Order—Delegation Order.
DISC—Domestic International Sales Corporation.
DR—Donor.
E—Estate.
EE—Employee.
E.O.—Executive Order.
ER—Employer.

ERISA—Employee Retirement Income Security Act.
EX—Executor.
F—Fiduciary.
FC—Foreign Country.
FICA—Federal Insurance Contributions Act.
FISC—Foreign International Sales Company.
FPH—Foreign Personal Holding Company.
FR.—Federal Register.
FUTA—Federal Unemployment Tax Act.
FX—Foreign corporation.
G.C.M.—Chief Counsel's Memorandum.
GE—Grantee.
GP—General Partner.
GR—Grantor.
IC—Insurance Company.
I.R.B.—Internal Revenue Bulletin.
LE—Lessee.
LP—Limited Partner.
LR—Lessor.
M—Minor.
Nonacq.—Nonacquiescence.
O—Organization.
P—Parent Corporation.
PHC—Personal Holding Company.
PO—Possession of the U.S.
PR—Partner.
PRS—Partnership.

PTE—Prohibited Transaction Exemption.
Pub. L.—Public Law.
REIT—Real Estate Investment Trust.
Rev. Proc.—Revenue Procedure.
Rev. Rul.—Revenue Ruling.
S—Subsidiary.
S.P.R.—Statement of Procedural Rules.
Stat.—Statutes at Large.
T—Target Corporation.
T.C.—Tax Court.
T.D.—Treasury Decision.
TFE—Transferee.
TFR—Transferor.
T.I.R.—Technical Information Release.
TP—Taxpayer.
TR—Trust.
TT—Trustee.
U.S.C.—United States Code.
X—Corporation.
Y—Corporation.
Z—Corporation.

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¹ A cumulative list of all revenue rulings, revenue procedures, Treasury decisions, etc., published in Internal Revenue Bulletins 2023–27 through 2023–52 is in Internal Revenue Bulletin 2023–52, dated December 27, 2023.

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