

## Employee Plans News

Issue 2014-2, January 23, 2014

### Deadline Extended For Pre-Approved Defined Benefit Plans

The Internal Revenue Service has extended the deadline until February 2, 2015, to submit on-cycle opinion and advisory letter applications for pre-approved defined benefit plans for the second six-year remedial amendment cycle ([Announcement 2014-4](#)). Without this extension, the applications for these plans would have been due by January 31, 2014.

In response to recent requests from the employee benefits community, the IRS intends to expand the defined benefit pre-approved plan program to include pre-approved plans with certain cash balance features. This extended deadline will give the IRS time to develop the necessary language and tools to process pre-approved cash balance plans and for practitioners to prepare their plans for submission.

The extended deadline of February 2, 2015, applies to all pre-approved defined benefit plans, even if they won't be modified to include cash balance features. These plans include:

- mass submitter lead and specimen plans;
- word-for-word identical plans;
- master and prototype minor modifier placeholder applications; and
- non-mass submitter plans.

The IRS will continue to review the opinion and advisory letter applications for these plans based on qualification items in the [2012 Cumulative List](#).

Guidance will be issued in the future to announce:

- cash balance features that will be permitted under the pre-approved program, and
- when applications for opinion and advisory letters may be submitted for plans with cash balance features.

Until the future guidance is issued, plans with cash balance features should not be submitted under the pre-approved program.

Practitioners submitting applications for opinion and advisory letters for a pre-approved defined benefit plan must pay the user fees listed in:

- [Rev. Proc. 2013-8](#) if they do not intend to include cash balance features in the plan and choose to submit the application by January 31, 2014; or
- [Rev. Proc. 2014-8](#) if they submit the application after January 31, 2014.

## Form 8905 deadline extended for individually designed Cycle C plans

Sponsors of individually designed defined benefit plans that intend to adopt a pre-approved plan document in the future may establish eligibility for the six-year remedial amendment period for pre-approved plans by completing [Form 8905](#), *Certification of Intent to Adopt a Pre-approved Plan*. Cycle C individually designed plan sponsors would generally have until January 31, 2014 (the on-cycle submission deadline for Cycle C individually designed plans) to either file a request for a determination letter as an individually designed plan or complete Form 8905. However, [Announcement 2014-4](#) extends the deadline for completing Form 8905 for Cycle C plans to March 31, 2014.

### Comments

Please [email](#) us any comments you may have on the expansion of the pre-approved defined benefit program to include plans with cash balance features, for example:

- comments on program parameters, and
- proposals for sample plan language.

Please direct your email to the attention of Don Kieffer.

### Additional Resources

- [Apply for an Opinion or Advisory Letter - Pre-Approved Retirement Plans](#)
- [Tips for Expediting the Determination, Opinion and Advisory Letter Process](#)
- [FAQs](#) on determination, opinion or advisory letter issues