

Special Edition
December 18, 2008

Retirement News for Employers

Information for Sponsors of Retirement Plans

Internal Revenue Service

Tax Exempt and Government Entities

Extension of Year-End Deadline for 403(b) Plan Sponsors

On December 11, 2008, the IRS released [Notice 2009-3](#) extending the deadline for 403(b) plan sponsors to adopt new written plans or amend their existing written plans from January 1, 2009, to December 31, 2009. The IRS will consider 403(b) plans as meeting the requirements of §403(b) and the final regulations for 2009 if the plan sponsor:

1. adopts or amends a written plan by December 31, 2009 that is intended to satisfy §403(b) (and the final regulations) effective January 1, 2009;
2. operates the plan during 2009 with a reasonable interpretation of §403(b), taking into account the final regulations; and
3. makes its best effort to retroactively correct by the end of 2009, any operational failure occurring in 2009 to conform to the written plan, based on the general principles of correction in section 6 of [Rev. Proc. 2008-50](#), the revenue procedure for the Service's Employee Plans Compliance Resolution System.

The IRS plans to issue further guidance on 403(b) plans, including a revenue procedure establishing a 403(b) prototype plan program and, later, a determination letter program. These programs will allow plans to correct plan document failures for years after 2009 by making remedial amendments. The EPCRS procedure will also be modified to provide for additional 403(b) issues.

Stay tuned!•

Please share this Special Edition with your colleagues. To subscribe to our newsletter, please go to www.irs.gov/ep. All editions of the *Retirement News for Employers* are archived there.•