



DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, D.C. 20224

201851008

TAX EXEMPT AND  
GOVERNMENT ENTITIES  
DIVISION

SEP 26 2018

SE: T: EP: RA: A2

Re: Substitute Mortality Table Ruling

Taxpayer =

EIN: -

Included Group =

; EIN: - , (Plan No. )

; EIN: - , (Plan No. )

(Plan No. ) ; EIN: - ,

; EIN: - , (Plan No. )

; EIN: - , (Plan No. )

Dear :

This letter is to inform you that your request to use substitute mortality tables for making computations under section 430 of the Internal Revenue Code (the "Code") for the Included Group has been granted with respect to the populations specified in this letter, effective for a period of 10 plan years beginning with the plan year commencing January 1, . Your request has been granted in accordance with section 430(h)(3) of the Code and section 303(h)(3) of the Employee Retirement Income Security Act of 1974.

Specifically, this approval applies to the following populations:

- Included Group – Male participants (annuitants and non-annuitants), including disabled participants.
- Included Group – Female participants (annuitants and non-annuitants), including disabled participants

Based on the information provided by Taxpayer, the pension plans listed in the Included Group are all the pension plans subject to section 430 of the Code that are sponsored by the Taxpayer or by any member of the Taxpayer's controlled group. Thus, the standard mortality tables will not be used for calculations under section 430 of the Code by any population in Taxpayer's controlled group.

In granting this approval, we have only considered whether the substitute mortality rates were developed correctly in accordance with section 1.430(h)(3)-2 of the Treasury Regulations ("Regulations") and Revenue Ruling 2017-55. Accordingly, we are not expressing any opinion as to the accuracy or acceptability of any calculations or other material submitted with your request.

Permission is hereby granted for the Included Group to use the substitute mortality rates shown in the table below.

**Substitute Mortality Tables**  
Approved for use beginning with the plan year commencing January 1,  
Base year

Age	Taxpayer Male Combined Rate	Taxpayer Female Combined Rate	Age	Taxpayer Male Combined Rate	Taxpayer Female Combined Rate
1			61		
2			62		
3			63		
4			64		
5			65		
6			66		
7			67		
8			68		
9			69		
10			70		
11			71		
12			72		

Age	Taxpayer Male Combined Rate	Taxpayer Female Combined Rate	Age	Taxpayer Male Combined Rate	Taxpayer Female Combined Rate
13			73		
14			74		
15			75		
16			76		
17			77		
18			78		
19			79		
20			80		
21			81		
22			82		
23			83		
24			84		
25			85		
26			86		
27			87		
28			88		
29			89		
30			90		
31			91		
32			92		
33			93		
34			94		
35			95		
36			96		
37			97		
38			98		
39			99		
40			100		
41			101		
42			102		
43			103		
44			104		
45			105		
46			106		
47			107		
48			108		

Age	Taxpayer Male Combined Rate	Taxpayer Female Combined Rate	Age	Taxpayer Male Combined Rate	Taxpayer Female Combined Rate
49			109		
50			110		
51			111		
52			112		
53			113		
54			114		
55			115		
56			116		
57			117		
58			118		
59			119		
60			120		

The above rates were developed based on an experience study period from January 1, , through December 31, , with a base year of . The rates were calculated by adjusting the applicable standard mortality tables in section 1.430(h)(3)-1(d) of the Regulations indicated in the table below, using the mortality ratio and credibility weighting factor determined by aggregating male and female experience, as shown in the table below.

Population	Standard base mortality table	Mortality ratio	Credibility factor
Included Group male participants	Male combined annuitant/nonannuitant mortality		100%
Included Group female participants	Female combined annuitant/nonannuitant mortality		100%

The Internal Revenue Service has reviewed the substitute mortality rates and supporting information, and has determined that based on the information submitted, the rates were correctly developed in accordance with section 1.430(h)(3)-2 of the Regulations and Revenue Ruling 2017-55.

The above rates must be applied on a generational basis, as provided in section 1.430(h)(3)-2(c)(3) of the Regulations.

Your attention is called to section 430(h)(3)(C)(ii) of the Code and section 1.430(h)(3)-2(d)(6) of the Regulations, which describe the circumstances in which the use of the substitute mortality table will terminate before the end of the 10-year period described above. In general, the substitute mortality tables can no longer be used as of the earliest of:

- (1) For a plan using a substitute mortality table for only one gender, the first plan year for which there is full or partial credible mortality information with respect to the other gender that had lacked credible mortality information (unless an approved substitute mortality table is used for that gender),
- (2) The first plan year in which the plan fails to satisfy the requirements of paragraph 1.430(h)(3)-2(c)(1) of the Regulations, regarding the requirement that other plans and populations in the controlled group must also use substitute mortality tables unless it can be demonstrated that they do not have credible mortality information (taking into account the transition period for newly affiliated companies in section 1.430(h)(3)-2(f)(3) of the Regulations),
- (3) The second plan year following the plan year for which there is a significant change in individuals covered by the plan as described in section 1.430(h)(3)-2(c)(6)(iii) of the Regulations,
- (4) The plan year following the plan year in which a substitute mortality table used for a plan population is no longer accurately predictive of future mortality of that population, as determined by the Commissioner or as certified by the Plan's actuary to the satisfaction of the Commissioner, or
- (5) The date specified in guidance published in the Internal Revenue Bulletin pursuant to a replacement of mortality tables specified under section 430(h)(3)(A) of the Code and 1.430(h)(3)-1 of the Regulations, other than annual updates to the static mortality tables issued pursuant to 1.430(h)(3)-1(a)(3) of the regulations or changes to the mortality improvement rates pursuant to section 1.430(h)(3)-1(a)(2)(i)(C) of the Regulations.

This ruling is directed only to the taxpayer that requested it. Section 6110(k)(3) of the Code provides that it may not be used or cited by others as precedent.

When filing Form 5500 for the plan years for which the substitute mortality tables are used, please note the information that is required to be attached to Schedule SB (Actuarial Information) in accordance with the instructions to that form.

We have sent a copy of this letter to your Authorized Representative(s) pursuant to a power of attorney on file in this office and to the Manager, EP Classification in Columbus, Ohio and to the Manager, EP Compliance Unit in Chicago, Illinois.

If you require further assistance in this matter, please contact  
(ID# ) at ( ) - .

Sincerely,

David M. Ziegler, Manager  
Employee Plans Actuarial Group 2

cc: