



Late Breaking Developments

2006 Spring Employee Benefits Meeting

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Structure

- IRS Update
- Actuarial issues
- Plan document issues, design issues, plan amendments
- Plan administration
- Miscellaneous tax rules
- Other issues



IRS Update

- IRS Guidance Program
- Updates to EPCRS Program (Rev Proc 2006-27)

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Actuarial Issues

- Pension funding reform
 - Status of legislative process
 - PBGC premium increase
 - PBGC extension of PFEA interest rates
- Finalization of PBGC 4044 mortality table changes
- Proposed IRS changes to current liability mortality tables

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More Actuarial Issues

- FASB deliberations
- SEC proxy compensation disclosure proposal
- Moody's proposes changed credit rating methods for companies contributing to multiemployer plans
- DOL finalizes rule on multiemployer pension plan funding notices and provides model

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Plan Document, Plan Design, and Plan Amendments

- Roth 401(k) – final design and proposed distribution regulations
- Medical accounts in profit sharing plans - Rev. Rul. 2005-55
- IRS will challenge retirement plan exclusions for part-timers, seasonal workers
- Deferrals from differential pay provided to reservists
- Proposed 415 regulations, Notice 2005-87

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More Document, Design, and Amendments

- Anti-cutback relief: elimination of optional forms
- Heinz – Rev. Procs. 2005-23 + 2005-76
- Amendment Deadlines Rev. Proc. 2005-66 on new cycles and Notice 2005-95 extensions
- IRS increases user fees for 2006

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Administration

- Relative values: status of proposed changes
- Katrina - filings, distributions, funding
- Elimination of Schedule T (Form 5500)

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Miscellaneous Tax Issues

- o 409A
- o No Medicare Part D impact on 420 cost maintenance
- o Abusive use of life insurance - Rev. Proc. 2005-25 and 402(a) regulations

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Other Issues

- o *Beck v. PACE International Union* (terminate via transfer). DOL wants rehearing
- o IBM Cash balance litigation
- o *Sereboff v Mid-Atlantic Medical Services*
- o Circular 230 - no response yet to Academy's letter

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