



TaxNewsFlash

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Notice 2018-24: Determination letter program for individually designed retirement plans; comments requested

The IRS today released an advance version of Notice 2018-24 concerning possible expansion of the scope of the determination letter program for individually designed plans during the 2019 calendar year (i.e., beyond the determination letters provided for initial qualification and qualification upon plan termination).

[Notice 2018-24](#) [PDF 14 KB] requests comments on the potential expansion of the scope of the determination letter program for individually designed plans during the 2019 calendar year. Comments are due by June 4, 2018.

The IRS notice states that the IRS and Treasury Department, in reviewing the comments that are received, will consider the factors regarding the scope of the determination letter program as set forth in Rev. Proc. 2016-37.

Today's notice states that the IRS and Treasury will issue guidance if any additional types of plans for which plan sponsors may request determination letters during the 2019 calendar year are identified.

Background

Rev. Proc. 2016-37 modified the IRS determination letter program for qualified plans to eliminate—as of January 1, 2017—the five-year remedial amendment cycle system for individually designed plans. Under the revenue procedure, effective January 1, 2017, a sponsor of an individually designed plan was permitted to submit a determination letter application only for initial plan qualification, for qualification upon plan termination, and in certain other circumstances. The IRS described clarifying changes to the six-year remedial amendment cycle system for pre-approved qualified plans and modifies the six-year remedial amendment cycle system to reflect changes

that have been made to the determination letter program for individually designed plans. Read [TaxNewsFlash](#)

Rev. Proc. 2016-37 also stated that the U.S. Treasury Department and the IRS will consider each year whether to accept determination letter applications for individually designed plans in specified circumstances other than for initial qualification and qualification upon plan termination.

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