



# TaxNewsFlash

## United States



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## Rev. Proc. 2022-28: No rulings to be issued regarding whether transactions result in employer reversion from qualified plan

The IRS today released an advance version of Rev. Proc. 2022-28, announcing that the IRS will not issue letter rulings as to whether certain transactions result in an employer reversion within the meaning of section 4980(c)(2) of the Code.

[Rev. Proc. 2022-28](#) [PDF 106 KB] amplifies the “no ruling” list contained in Rev. Proc. 2022-3 and provides that the IRS will not issue letter rulings as to whether an employer reversion from a qualified plan occurs for purposes of section 4980(c)(2) in connection with a spin-off/termination transaction that involves excess assets.

Rev. Proc. 2022-28 clarifies that the term a “spin-off/termination transaction that involves excess assets” means a transaction in which:

- Less than 100% of the assets of a defined benefit plan are spun off to another defined benefit plan sponsored or maintained by the same employer (or any entity that would be considered to be in a group of employers treated as a single employer with the employer under section 414(b), (c), (m), or (o));
- The defined benefit plan receiving the assets that have been spun off is terminated within a short period of time after receiving those assets; and
- Assets remain in the trust of the terminated defined benefit plan after all benefits are distributed to or on behalf of all participants and their beneficiaries

Today’s revenue procedure applies to all ruling requests pending with or received by the IRS on or after June 21, 2022, and any request for a ruling that is pending with the IRS on June 21, 2022, will be closed, and the user fee will be returned in full.

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