



TaxNewsFlash

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Final regulations: Guidance on minimum present value requirements for certain defined benefit plans

The U.S. Treasury Department and IRS today released final regulations (T.D. 9987) providing guidance relating to the minimum present value requirements applicable to certain defined benefit pension plans.

The [final regulations](#) [PDF 336 KB] in particular provide guidance on changes made by the Pension Protection Act of 2006 to the prescribed interest rate and mortality table, as well as rules regarding the treatment of preretirement mortality discounts and Social Security level income options. In addition to updates for statutory changes, the regulations eliminate obsolete provisions and make clarifying changes.

The regulations are effective on January 19, 2024. The regulations generally apply to distributions with annuity starting dates that occur on or after October 1, 2024.

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