

December 14, 2009

IRS Extends Year-End Deadline for Adopting Certain Pension Protection Act Amendments

Sponsors of qualified plans who are rushing to meet the December 31, 2009 deadline for making amendments required by the Pension Protection Act of 2006 (PPA 2006) will be relieved to hear that the IRS has extended the deadline for making *certain* PPA 2006 amendments. In [IRS Notice 2009-97](#), the IRS extended the deadline for making certain amendments to the last day of the first plan year that begins on or after January 1, 2010 (December 31, 2010 for most plans). Although the IRS has extended the deadline for certain plan amendments, it has not extended the deadline for other amendments required by PPA 2006. ***The deadline for most PPA 2006 amendments remains December 31, 2009.***

This extension applies only to the following amendments:

- Amendments to single-employer defined benefit plans to comply with new funding limits on benefits and benefit accruals under Internal Revenue Code (Code) Sections 401(a)(29) and 436, respectively;
- Amendments to cash balance and other defined benefit plans to comply with certain new vesting and other special rules under Code Section 411(a)(13) (other than Section 411(a)(13)(A)), and Code Section 411(b)(5); and
- Amendments to defined contribution plans to comply with certain new diversification requirements under Code Section 401(a)(35).

The IRS has also announced limited anti-cutback relief related to amendments to meet the requirements of Code Sections 401(a)(29) and 436 that are adopted by the extended deadline. In addition, the IRS has announced that limited anti-cutback relief is expected to be granted for amendments that are adopted by the extended deadline to comply with Code Section 411(b)(5) once final regulations under Code Sections 411(a)(13) and 411(b)(5) are issued.

The IRS has announced these extensions in part to give plan sponsors time to take into account recently issued final regulations and regulations that the IRS expects to issue in the near future.

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