

# IRS PRESENTS REQUIRED AMENDMENTS LIST FOR INDIVIDUALLY DESIGNED PLANS

*Hodgson Russ Employee Benefits Newsletter*  
January 31, 2018

**Practices & Industries**

Employee Benefits

As we reported in our August, 2017 newsletter, the IRS has eliminated the determination letter program for individually designed plans, except when such plans are established or terminated. Concurrently, the IRS substantially restructured the opinion letter process for pre-approved plans (i.e. prototype plan documents, volume submitter plan documents, etc.) to encourage the conversion of individually designed plans to pre-approved formats.

For plan sponsors continuing to maintain individually designed plan documents, the IRS provides an annual “Required Amendments List” to track a qualified retirement plan’s conformity to changes in the law. On December 5, 2017, the IRS issued the 2017 Required Amendments List for Qualified Retirement Plans (Notice 2017-72) with the following changes affecting cash balance plans, and eligible cooperative or charity plans:

- Cash balance/hybrid plans must be amended to comply with the final regulations regarding market rate of return and other requirements made applicable in 2017; and
- Certain cooperative or charity plans must be amended to incorporate the benefit restrictions of Code Section 436.

In addition, some defined benefit pension plans that permit benefits to be paid partially in the form of an annuity and partially as a lump sum must be amended to the extent necessary to comply with the Code Section 417(e) regulations regarding the minimum present value of partial distributions.

Plan sponsors of individually designed plans should work with their legal advisors to ensure their plans are amended in conformity with the 2017 Required Amendments List.