

Publications

IRS Revised Its Qualified Plans Correction Program to Address the Determination Letter Progra Changes

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Every few years the Internal Revenue Service (IRS) looks at new ways to improve its Employee Plans Compliance Resolution System (EPCRS). Recently, the IRS issued the latest rendition of the program in Revenue Procedure 2016-51, effective January 1, 2017. This replaces and updates Revenue Procedure 2013-12, along with incorporating the changes set forth in Revenue Procedure 2015-27, which focused on correction of overpayments and changes to the various voluntary correction program (VCP) fees, and Revenue Procedure 2015-28, which focused on new safe harbor correction methods for auto-enrollment/auto-accelerator failures. The intent behind the majority of the changes to the EPCRS program that we highlight in the attached article is to conform the correction program with the changes being made to the determination letter program, and to help plan sponsors manage the risks that the loss of the determination letter cycle program has on audit. Please see the attached article for further information.