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Hybrid plans gain time to complete determination letter requests

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Sponsors of individually designed hybrid plans that submit a determination letter application by Aug. 31 will have until year-end to supplement their filing with any missing documentation, according to the [Aug. 24 edition](#) of IRS's *Employee Plans News*. The extended submission period is available only if applications are submitted by Aug. 31 and include the following:

- [Form 5300](#), Application for Determination of Employee Benefit Plan
- [Form 8717](#), User Fee for Employee Plan Determination Letter Request, with the appropriate user fee
- [Form 8821](#), Tax Information Authorization, or [Form 2848](#), Power of Attorney (if applicable)

Once an application is received, IRS will send an Application Identification Sheet (AIS) for additional documents and information. Sponsors should include the AIS with any later submissions to ensure the documents can be associated with the initial application.

Last year, IRS [announced](#) it would accept determination letter applications for individually designed hybrid plans during the 12-month period ending Aug. 31 — even if the sponsor already had a determination letter. IRS is allowing sponsors to supplement their applications after the Aug. 31 deadline because some practitioners and sponsors are having difficulty compiling the necessary documents and information to file a complete submission.

Related resources

Non-Mercer resources

- [Employee Plans News](#) (IRS, Aug. 24, 2020)

- [Rev. Proc. 2019-20 \(IRS, May 1, 2019\)](#)

Mercer Law & Policy resources

- [Hybrid plans seeking determination letters still have time to act \(Feb. 5, 2020\)](#)
- [Cash balance determination letter window opens \(Sept. 16, 2019\)](#)
- [IRS expands determination letters for hybrid, merged plans \(May 2, 2019\)](#)

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