



2020 PROCEDURES FOR DETERMINATION LETTERS, OTHER ADVICE NOW AVAILABLE

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[Rev. Proc. 2020-4](#) contains annual updates to IRS procedures for requesting determination letters, private letter rulings and other tax advice on employee plan matters. Here are some key changes to last year's procedures, which focus mostly on the procedures for determination letter requests.

All retirement plans. Key substantive changes for all retirement plans include:

- **Documents required with determination letter requests.** Section 6.02 now lists the supporting documents identified in the Form 5300 instructions in the submission order preferred by the IRS.
- **New categories for determination letter requests.** Several sections have been updated to reflect that consistent with [Rev. Proc. 2019-20](#), IRS is accepting determination letter requests for individually designed statutory hybrid plans until Aug. 31, 2020. IRS is also accepting on an ongoing basis requests for certain merged plans arising from corporate transactions between unrelated entities.
- **Lump sum windows.** Section 9.07 is revised in accordance with [Notice 2019-18](#) to provide that determination letters will no longer specifically exclude lump sum windows from the determination.
- **Mailing addresses.** The mailing addresses in Section 31 have been updated.

Preapproved plans. Several updates relate to preapproved plans:

- **Tax-exempt status of trusts/custodial accounts.** Section 3.04 notes that a determination letter will no longer include the tax-exempt status of any preapproved plan's related trusts or custodial accounts, starting with the third six-year remedial amendment cycle.
- **Eligibility to request determination letters.** Section 12 — which explains when adopting employers of preapproved plans can request determination letters — has been split into sections 12A and 12B.

- Section 12A explains the rules for employers that adopt defined benefit master and prototype (M&P) or volume submitter (VS) plans for the second six-year remedial amendment cycle — which is the last cycle that VS and M&P terminology apply.
- Section 12B explains the rules for the third and subsequent cycles for both defined benefit and defined contribution plans.
- ***Procedures for requesting determination letters on Form 5307.*** Section 13 provides procedures for employers that make minor modifications to VS plans (for the second cycle) and nonstandardized plans (for the third cycle) to submit determination letter requests using [Form 5307](#).

RELATED RESOURCES

Non-Mercer Resources

- [Rev. Proc. 2020-4](#), Internal Revenue Bulletin 2020-01 (IRS, Jan. 2, 2020)
- [Rev. Proc. 2019-20](#) (IRS, May 1, 2019)
- [Notice 2019-18](#) (IRS, March 6, 2019)

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- [IRS Sets Third Remedial Amendment Cycle for Preapproved DB Plans](#) (Dec. 17, 2019)
- [Defined Benefit, 403\(b\) Preapproved Plan Adoption Deadlines Approaching](#) (Dec. 9, 2019)
- [Cash Balance Determination Letter Window Opens](#) (Sept. 16, 2019)
- [IRS Expands Determination Letters for Hybrid, Merged Plans](#) (May 2, 2019)
- [IRS Revives Retiree Lump-Sum Windows in Defined Benefit Plans](#) (March 7, 2019)
- [IRS Issues 2019 Procedures for Retirement Plan Determination Letters, Rulings, Other Guidance](#) (Jan. 18, 2019)

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