

MEMO# 4452

January 26, 1993

IRS EXTENDS NOTICE CONCERNING TWENTY-PERCENT WITHHOLDING TO LOANS UNDER SECTION 403(B) ARRANGEMENTS

January 26, 1993 TO: PENSION MEMBERS NO. 7-93 OPERATIONS MEMBERS NO. 8-93
TRANSFER AGENT ADVISORY COMMITTEE NO. 9-93 RE: IRS EXTENDS NOTICE CONCERNING
TWENTY-PERCENT WITHHOLDING TO LOANS UNDER SECTION 403(b) ARRANGEMENTS

As we previously advised, the IRS in Notice 93-3 clarified the treatment of distributions attributable to qualified plan loans under the Unemployment Compensation Amendments of 1992. (See Institute Memorandum to Pension Members No. 38-92, Operations Members No. 52-92, and Transfer Agent Advisory Committee No. 76-92, dated December 29, 1992.) Attached is a copy of IRS corrections to Notice 93-3, which clarify that the notice also applies to participant loans under section 403(b) arrangements. We will keep you informed of developments. Kathy D. Ireland Associate Counsel - Pension Attachment KDI:cl

Copyright © by the Investment Company Institute. All rights reserved. Information may be abridged and therefore incomplete. Communications from the Institute do not constitute, and should not be considered a substitute for, legal advice.