

MEMO# 9743

March 9, 1998

IRS AND TREASURY RELEASE 1998 PRIORITY GUIDANCE PLAN

[9743] March 9, 1998 TO: PENSION COMMITTEE No. 13-98 PENSION OPERATIONS ADVISORY COMMITTEE No. 10-98 RE: IRS AND TREASURY RELEASE 1998 PRIORITY GUIDANCE PLAN

The Internal Revenue Service and the Treasury Department have released their "1998 Priority Guidance Plan," representing their 1998 priorities for tax regulations and other administrative guidance. In addition to the 1998 plan, Appendix A lists certain projects for which substantial resources will be committed in 1998 and for which publication is expected to occur in 1999. The Service and Treasury invite comments on these projects. Appendix B lists regularly scheduled publication items by month. The guidance plan lists various projects of interest in the employee benefits area, including: ` Guidance relating to the use of new technologies in the administration of qualified plans. ` Follow-up guidance relating to Notice 98-1, regarding sections 401(k) and 401(m) testing issues under the Small Business Job Protection Act of 1996. ` Guidance relating to the safe harbors for section 401(k) plans and section 401(m) arrangements. ` Guidance relating to section 401(k) elections. ` Guidance relating to payroll deduction IRA arrangements. ` Guidance under section 408A relating to transition relief regarding the establishment of Roth IRAs. (See Announcement 97-122.) ` Question-and-answer guidance under section 408A regarding Roth IRAs. ` Various regulations, proposed and final, relating to section 411(d)(6). ` Guidance under sections 411 and 417 relating to the Taxpayer Relief Act of 1997 amendments regarding involuntary cashout of benefits. Items of interest on Appendix A include: ` Guidance under section 72(p) regarding plan loans. ` Update Notice 92-48 relating to the model notice under 402(f). ` Guidance relating to the effect of the repeal of section 415(e). ` Revenue procedure fully opening determination letter program for plan amendments relating to recent legislation. A copy of the 1998 Priority Guidance Plan is attached. Kathryn A. Ricard Assistant Counsel Attachment