

MEMO# 3746

May 5, 1992

REGULATORY BURDEN REDUCTION INITIATIVE

May 5, 1992 TO: PENSION COMMITTEE NO. 18-92 RE: REGULATORY BURDEN REDUCTION INITIATIVE _____ As part of the President's Regulatory Burden Reduction Initiative, the Treasury Department and the IRS have issued the attached Notice 92-12 (Attachment A) announcing their intention to close certain regulations projects and withdraw certain proposed regulations. Included among the regulations projects to be closed are projects under section 72(t), concerning the ten-percent additional tax on early distributions from retirement plans, and section 6047(d), concerning tax reporting of retirement plan distributions. According to the most recent semiannual regulatory agenda (Attachment B), the regulations under section 72(t) would have provided guidance concerning the application of the tax to early distributions and an explanation of the exceptions, such as substantially equal periodic payments. The regulations under section 6047(d) would have required the payor of a qualified plan distribution (or the plan administrator) to calculate the taxable amount and to report it on the appropriate information return. The Notice also proposes withdrawing proposed regulations relating to IRAs and SEPs. Copies of these regulations as proposed are attached (Attachment C). The Notice solicits comments concerning these proposed actions as well as additional projects to be closed or withdrawn, regulations projects that should be finalized on a priority basis, and existing regulations that should be modified to reduce taxpayer burden. Please contact the undersigned with any comments by Monday, June 1. Kathy D. Ireland Associate Counsel - Pension Attachments