

NEWS ALERT

EMPLOYEE BENEFITS



IRS Extends the End-Date of the Initial Remedial Amendment Period for 403(b) Retirement Plans from March 31, 2020 to June 30, 2020

By Melanie N. Aska and Erik M. Sharp | March 31, 2020

The IRS has extended the last day of the initial remedial amendment period for 403(b) retirement plans from March 31, 2020, to June 30, 2020. Plan sponsors now have until June 30, 2020, to update their individually designed and pre-approved (volume submitter and prototype) 403(b) plan documents. The extension of the deadline to June 30, 2020 provides breathing room to 403(b) plan sponsors who may have been struggling to meet the former March 31, 2020 deadline due to business dislocations triggered by the current COVID-19 pandemic.

Our [March 9, 2020 Employee Benefits News Alert](#) had given 403(b) plan sponsors a heads-up about the former March 31, 2020 remedial amendment deadline, and had also discussed IRS Revenue Procedure 2019-39, which provides a system of recurring remedial amendment periods for correcting form (plan document) defects in individually designed and pre-approved 403(b) plan documents that first occur after the initial remedial amendment period's end-date (previously, March 31, 2020, and now, June 30, 2020). The IRS intends to issue guidance modifying Revenue Procedure 2019-39 to replace applicable references to March 31, 2020, with June 30, 2020. For example, the rules for the recurring remedial amendment periods for 403(b) individually designed plan documents will now apply to form defects first occurring after June 30, 2020, and the second IRS cycle for pre-approved (volume submitter and prototype) 403(b) plan documents will begin on July 1, 2020.

If you have any questions about this bulletin, please contact Melanie N. Aska at maska@murthlaw.com or 617.457.4131, or Erik M. Sharp at esharp@murthlaw.com at 203.772.7772.

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