



## BENEFIT NEWS BRIEFS

### ***IRS Publishes Final MPRA Regulations And Related Revenue Procedure***

The IRS recently published [final regulations](#) under the *Multiemployer Pension Reform Act of 2014* ("MPRA"), as well as publishing [Revenue Procedure 2016-27](#) reflecting these changes. MPRA allows multiemployer pension plans in critical and declining status to suspend ("reduce") benefits if necessary to save the plan from insolvency. For more detail on MPRA, see [Client Bulletin 2014-60](#).

These final regulations apply to suspensions for which the approval or denial is issued on or after April 26, 2016. In the case of a "systemically important" plan, the final regulations apply with respect to any modified suspension implemented on or after April 26, 2016. The final regulations replace the temporary regulations issued in June and September of 2015, but do not change the basic requirements for applications to reduce pension benefits, but provide clarifications based on information received during the public comment period. We will take a closer look at the changes made by the final regulation and Revenue Procedure in a future newsletter.

Revenue Procedure 2016-27 replaces Revenue Procedure 2015-34 and contains details on the application procedures for a proposed suspension of benefits, as well as a model notice and a submission checklist. According to the Revenue Procedure, the IRS estimates that about 28 multiemployer pension plans will use the MPRA rules to apply for a suspension of benefits.

More information on MPRA, as well as information on plans that have applied for benefit suspensions under MPRA can be found on the Treasury webpage at: <https://www.treasury.gov/services/Pages/Benefit-Suspensions.aspx>. As of this date, MPRA suspension applications for five pension plans have been posted on the Treasury webpage at: <https://www.treasury.gov/services/Pages/Plan-Applications.aspx>. These five plans are: (1) Central States, Southeast And Southwest Areas Pension Plan, (2) Iron Workers Local 17 Pension Fund, (3) Ironworkers Local 16 Pension Fund, (4) Road Carriers Local 707 Pension Fund, and (5) the Teamsters Local 469 Pension Plan.

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