

## Part I

### Section 401. -- Qualified Pension, Profit-Sharing, and Stock Bonus Plans

26 CFR 1.401(l)-1: Permitted disparity in employer-provided contributions or benefits

Rev. Rul. 2007-71

This revenue ruling provides tables of covered compensation under § 401(l)(5)(E) of the Internal Revenue Code (the “Code”) and the Income Tax Regulations, thereunder, for the 2008 plan year.

Section 401(l)(5)(E)(i) defines covered compensation with respect to an employee, as the average of the contribution and benefit bases in effect under section 230 of the Social Security Act (the “Act”) for each year in the 35-year period ending with the year in which the employee attains social security retirement age.

Section 401(l)(5)(E)(ii) of the Code states that the determination for any year preceding the year in which the employee attains social security retirement age shall be made by assuming that there is no increase in covered compensation after the determination year and before the employee attains social security retirement age.

Section 1.401(l)-1(c)(34) defines the taxable wage base as the contribution and benefit base under section 230 of the Act.

Section 1.401(l)-1(c)(7)(i) defines covered compensation for an employee as the average (without indexing) of the taxable wage bases in effect for each calendar year during the 35-year period ending with the last day of the calendar year in which the employee attains (or will attain) social security retirement age. A 35-year period is used for all individuals regardless of the year of birth of the individual. In determining an employee's covered compensation for a plan year, the taxable wage base for all calendar years beginning after the first day of the plan year is assumed to be the same as the taxable wage base in effect as of the beginning of the plan year. An employee's covered compensation for a plan year beginning after the 35-year period applicable under §1.401(l)-1(c)(7)(i) is the employee's covered compensation for a plan year during which the 35-year period ends. An employee's covered compensation for a plan year beginning before the 35-year period applicable under §1.401(l)-1(c)(7)(i) is the taxable wage base in effect as of the beginning of the plan year.

Section 1.401(l)-1(c)(7)(ii) provides that, for purposes of determining the amount of an employee's covered compensation under §1.401(l)-1(c)(7)(i), a plan may use tables, provided by the Commissioner, that are developed by rounding the actual amounts of covered compensation for different years of birth.

For purposes of determining covered compensation for the 2008 year the taxable wage base is \$102,000.

The following tables provide covered compensation for 2008:

ATTACHMENT I

2008 COVERED COMPENSATION TABLE

CALENDAR YEAR OF BIRTH	CALENDAR YEAR OF SOCIAL SECURITY RETIREMENT AGE	2008 COVERED COMPENSATION TABLE II
1907	1972	\$4,488
1908	1973	4,704
1909	1974	5,004
1910	1975	5,316
1911	1976	5,664
1912	1977	6,060
1913	1978	6,480
1914	1979	7,044
1915	1980	7,692
1916	1981	8,460
1917	1982	9,300
1918	1983	10,236
1919	1984	11,232
1920	1985	12,276
1921	1986	13,368
1922	1987	14,520
1923	1988	15,708
1924	1989	16,968
1925	1990	18,312
1926	1991	19,728
1927	1992	21,192
1928	1993	22,716
1929	1994	24,312
1930	1995	25,920
1931	1996	27,576
1932	1997	29,304
1933	1998	31,128
1934	1999	33,060
1935	2000	35,100
1936	2001	37,212
1937	2002	39,444
1938	2004	43,992

1939	2005	46,344
1940	2006	48,816
1941	2007	51,348
1942	2008	53,952
1943	2009	56,484
1944	2010	58,992
1945	2011	61,476
1946	2012	63,912
1947	2013	66,324
1948	2014	68,580
1949	2015	70,764
1950	2016	72,828
1951	2017	74,820
1952	2018	76,704
1953	2019	78,540
1954	2020	80,328
1955	2022	83,700
1956	2023	85,332
1957	2024	86,880
1958	2025	88,320
1959	2026	89,712
1960	2027	91,044
1961	2028	92,304
1962	2029	93,492
1963	2030	94,656
1964	2031	95,784
1965	2032	96,828
1966	2033	97,788
1967	2034	98,628
1968	2035	99,360
1969	2036	99,984
1970	2037	100,464
1971	2038	100,896
1972	2039	101,304
1973	2040	101,640
1974	2041	101,868
1975 and Later	2042	102,000

2008 Rounded  
Covered  
Compensation Table

Year of Birth	Covered Compensation
1937	39,000
1938 - 1939	45,000
1940	48,000
1941	51,000
1942	54,000
1943	57,000
1944 - 1945	60,000
1946	63,000
1947	66,000
1948	69,000
1949 - 1950	72,000
1951	75,000
1952 - 1953	78,000
1954	81,000
1955 - 1956	84,000
1957 - 1958	87,000
1959 - 1960	90,000
1961 - 1962	93,000
1963 - 1965	96,000
1966 - 1970	99,000
1971 and Later	102,000

**DRAFTING INFORMATION**

The principal author of this revenue ruling is Wayne Bradley of the Employee Plans, Tax Exempt and Government Entities Division. For further information regarding this revenue ruling, please contact the Employee Plans taxpayer assistance telephone service at 1-877-829-5500, between the hours of 8:30 a.m. and 4:30 p.m. Eastern time, Monday through Friday (a toll-free number). Mr. Bradley may be reached via e-mail at [RetirementPlanQuestions@irs.gov](mailto:RetirementPlanQuestions@irs.gov) .