

## **I. Extension of Temporary Nondiscrimination Relief for Closed Defined Benefit Plans**

Notice 2014-5, 2014-2 I.R.B. 276, provides temporary nondiscrimination relief for certain “closed” defined benefit pension plans (i.e., defined benefit plans that provide ongoing accruals but that have been amended to limit those accruals to some or all of the employees who participated in the plan on a specified date). Specifically, for plan years beginning before 2016, Section III.B of Notice 2014-5 permits a DB/DC plan that includes a closed defined benefit plan (that was closed before December 13, 2013) and that satisfies certain conditions set forth in the notice to demonstrate satisfaction of the nondiscrimination in amount requirement of § 1.401(a)(4)-1(b)(2) on the basis of equivalent benefits even if the DB/DC plan does not meet any of the existing eligibility conditions for testing on that basis under § 1.401(a)(4)-9(b)(2)(v).

This notice extends the temporary nondiscrimination relief provided in Notice 2014-5 for an additional year by applying that relief to plan years beginning before 2017 if the conditions of Notice 2014-5 are satisfied. During the period for which this extension applies, the remaining provisions of the nondiscrimination regulations under § 401(a)(4) (including the rules relating to the timing of plan amendments under § 1.401(a)(4)-5) continue to apply.

The extension described in this notice is provided in anticipation of the issuance of proposed amendments to the § 401(a)(4) regulations that would be finalized and apply after the relief under Notice 2014-5 and this notice expires.

## **II. EFFECT ON OTHER DOCUMENTS**

Notice 2014-5 is modified.

### **DRAFTING INFORMATION**

The principal author of this notice is Kelly C. Scanlon of the Office of the Associate Chief Counsel (Tax Exempt and Government Entities). However, other personnel from the IRS participated in development of this guidance. For further information regarding this notice, please contact Ms. Scanlon or Linda Marshall at (202) 317-6700.