

IRS Notice 2009-3 Postpones 403(b) Written Plan Deadline to 12/31/2009

Released 12/11/2008

Impact on CCC Client Employers

- **This is a huge relief for Employer Plan Sponsors that have not yet adopted 403(b) Plan Documents.** Such Employers now have until 12/31/2009 to do so.
- **However,** it remains necessary for all Employers to operate their Plans in accordance with a reasonable interpretation of Section 403(b) of the Internal Revenue Code, taking into account the final regulations.
- **If your Governing Board has already adopted your Plan Document,** then you are ahead of the game. You will be working in concert with CCC to administer your Plan in accordance with provisions as they appear in your Plan Document throughout 2009. Knowing the rules that apply from the beginning will minimize the likelihood that Plan defects will occur.
- **It will be necessary for an Employer that postpones adoption of a written plan** to make its best efforts to retroactively correct any operational failure during the 2009 calendar year to conform to the terms of the written 403(b) plan.
- **A Draft Revenue Procedure on Obtaining IRS Approval of Prototype 403(b) Plans** is also announced in this Notice. Shortly after this Revenue Procedure is published, CCC plans to submit a prototype plan for IRS review. Upon receipt of an IRS response, CCC will make appropriate adjustments in the current CCC IRS Template for its Plan Document System (Version 1.1) and update all CCC Client Plan Documents so that Employers will know that they can rely on their meeting with IRS approval.
- **In summary,** publication of Notice 2009-3 confirms that CCC's Good Faith Compliance Resolution program closely parallels IRS actions regarding 403(b) plans. We encourage all CCC Client Employers to abide by the terms of this resolution by checking the first option on the Good Faith Resolution Preference Form found in Implementation Step 18 and return the completed form to CCC.