

WAC 415-02-754 How does the department comply with Internal Revenue Code definitely determinable benefit rules? (1) In conformity with section 401 (a)(8) of the Internal Revenue Code, any forfeitures of benefits by members or former members of the plan will not be used to pay benefit increases. However, such forfeitures shall be used to reduce employer contributions.

(2) In conformity with section 401 (a)(25) of the Internal Revenue Code, actuarial equivalence for purposes of calculating benefit options is determined using the following assumptions and without employer discretion:

Interest rate: Five percent; and

(a) For years prior to January 1, 2009, the mortality table specified in Revenue Ruling 2001-62 or any subsequent revenue ruling modifying the applicable provisions of Revenue Ruling 2001-62; or

(b) For years after December 31, 2008, the applicable mortality tables described in section 417 (e)(3)(B) of the Internal Revenue Code, Notice 2008-85, or any subsequent Internal Revenue Service guidance implementing section 417 (e)(3)(B) of the Internal Revenue Code.

[Statutory Authority: RCW 41.50.050(5). WSR 10-24-099, § 415-02-754, filed 12/1/10, effective 1/1/11.]