

Employee Benefit Plans Alert

Quick Hits

By Louis F. LiBrandi, Principal

Some EPB-related 2020 news items include:

- **PCORI (Patient-Centered Outcomes Research Institute) Fee:** IRS Notice 2020-84 increased the fee per covered life to \$2.66 (from \$2.54) for plan and policy years that end on or after October 1, 2020, and before October 1, 2021. The fee is paid to the IRS with the filing of Form 720 which is due July 31, 2021.
- **Pension Plan Contributions:** IRS Notice 2020-82 was issued in November 2020 to extend the deadline by which contributions to a single-employer pension plan can be made under the CARES Act to January 4, 2021. The initial extended date was January 1, 2021.
- **IRS Tax-Exempt & Government Entities (TE/GE) Division Released 2021 Priority List:** The first priorities listed are compliance checks and examinations of Form 4720, *Return of Certain Excise Taxes*. The IRS is reviewing the impact of §4960 on excess compensation. TE/GE reports that there continues to be a high volume of exempt organizations that paid compensation of over \$1 million to at least one “covered employee,” but did not report excise tax on Form 4720.
- **IRS Tax-Exempt & Government Entities (TE/GE) Division 2020 Strategies:** Additionally, the IRS is still focusing on its fiscal year 2020 strategies. For employee plans this includes compliance checks and examinations of:
 - 403(b) and 457 plans
 - SEPs and SARSEPs
 - ESOP discrimination testing and related issues
 - Terminated cash balance plans

Contact Us

The Employee Benefit Services Group at PKF O’Connor Davies is available to assist employers with the various compliance reporting and other requirements imposed by federal agencies. We also provide a full spectrum of compliance services for qualified retirement plans, non-qualified deferred compensation plans, and welfare plans. For more information, please contact your client services partner or either of the following:

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