



Washington Regulatory Wrap Up (2005)

Federal Regulatory Proposals of Interest to NCTR Members
(See Washington Legislative Wrap Up for Congressional Developments of Interest)

Current as of April 21, 2005

Federal Updates referenced in chart are available at <http://www.nctr.org/federal/index.html>.

| Issue | | Proposal | Brief Description | Latest Major Action |
|------------------------|--|--|--|--|
| Social Security | | | | |
| | | Statement Concerning Employment in a Job Not Covered by Social Security | Individuals hired to fill non-Social Security-covered positions must sign notice. Notice informs them that because their positions are non-covered, their Social Security benefits from other work may be reduced. Employer responsible for carrying out requirement. Retirement system covering individuals must accept notice, but law does not impose further mandates on them. Effective for individuals hired on or after 1/1/05. | Social Security Administration provides the notice form and explanation on its website at: http://www.socialsecurity.gov/form1945/ |
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| Pension | | | | |
| | | 403(b) Regulations | IRS has not updated the regulations for 403(b)s for some time and has now proposed detailed revisions. | IRS released proposed regulations on November 16, 2004. See summary at http://www.nctr.org/pdf/fedupd2004_33.pdf . See proposed regs at |

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| | | | http://www.nctr.org/pdf/403(b)_proposed_reg.pdf Hearing held 2/15/05. |
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| | Minimum Distribution Rules (MDRs) | The MDRs specify how and when payments from various retirement programs must be made. | IRS issued final regulations on June 14, 2004. See summary at http://www.nctr.org/pdf/fedupd2004_32.pdf (Note that the linked material covers many topics in addition to the summary.) See final regs at http://www.nctr.org/pdf/mdr_finalRegs.pdf |
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| | Phased Retirement | Under phased retirement, plan sponsors could allow pension distributions to active employees under a bona fide phased retirement program. | IRS released proposed regs on November 10, 2004. See summary at http://www.nctr.org/pdf/Phased Retirement Proposed Regulations_Summary.pdf See proposed regs at http://www.nctr.org/pdf/PhasedRetirement_proposed Regs.pdf Hearing held 3/14/05. |
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