

Justification for Change Statement **OMB No. 1545-1673**

This revenue procedure updates the comprehensive system of correction programs for sponsors of retirement plans that are intended to satisfy the requirements of § 401(a), 403(a), 403(b), 408(k), or 408(p) of the Internal Revenue Code, but that have not met these requirements for a period of time. This system, the Employee Plans Compliance Resolution System (EPCRS), permits Plan Sponsors to correct these failures and thereby continue to provide their employees with retirement benefits on a tax-favored basis. The components of EPCRS are:

- o Self-Correction Program (SCP) – permits a plan sponsor to correct certain plan failures without contacting the IRS or paying any fee.
- o Voluntary Correction Program (VCP) – permits a plan sponsor to, any time before audit, pay a fee and receive IRS approval for correction of plan failures.
- o Audit Closing Agreement Program (Audit CAP) – permits a plan sponsor to pay a sanction and correct a plan failure while the plan is under audit.

The collection of information in this revenue procedure is in sections 4.05, 6.02(5)(d), 6.05, 6.09(5), 6.09(6), 10.01, 10.02, 10.05–.07, 10.10–10.12, 11.02–11.05, 11.07–11.14, 13.01, sections 2.01–2.07 of Appendix B, Appendix C, and Appendix D. This information is required to enable the Commissioner, Tax Exempt and Government Entities Division of the Internal Revenue Service, to consider the issuance of various types of closing agreements and compliance statements. This information will be used to issue closing agreements and compliance statements to allow individual plans to continue to maintain their tax favored status. As a result, favorable tax treatment of the benefits of the eligible employees is retained.

New Forms 14568, “Appendix C Part I, Model VCP Submission Compliance Statement,” and 14568 A through 14568-I were created from the model VCP submission documents, contained in Appendix C of Rev. Proc. 2013-12. These model forms have been assigned an IRS form number and are available to users through www.irs.gov. The form design provides a user-friendly, fillable PDF format to ensure that applicants are including all necessary information needed for processing a VCP submission.

- Form 14568, “Appendix C, Part I, Model VCP Submission Compliance Statement,” sets forth a Model Compliance Statement, which is designed to assist VCP applicants by providing a standardized framework to complete the VCP submission process.
- Forms 14568-A through I, (formerly Appendix F Schedules in the Rev. Proc. 2008-50), set forth standardized descriptions of failures and correction methods that can be used to resolve certain qualification failures. These Schedules can be used with the Model Compliance Statement by attaching the appropriate Schedule to the applicable parts of the Model Compliance Statement.

Revenue Procedure 2013-12 modifies and supersedes Revenue Procedures 2008-50. Increases of 555 responses and 6,201 burden hours are due to program change.

This request will also make corrections to the burden claimed for the revenue procedure in the previous submission. This adjustment is an increase of 3,725 responses and 79,927 burden hours to align burden reported in the Revenue Procedure 2008-50.

Total burden hours requested are 185,298; a total increase of 86,128 hours.