

Justification for No Material or Nonsubstantive Change to Currently Approved Collection

AGENCY: Pension Benefit Guaranty Corporation (PBGC)

TITLE: Payment of Premiums (29 CFR Part 4007) and related forms and instructions

STATUS: OMB control number 1212-0009; expires March 31, 2018

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PBGC administers the pension plan termination insurance program under title IV of the Employee Retirement Income Security Act of 1974 (ERISA). Section 4007 of ERISA requires plans covered by title IV to pay premiums to PBGC. PBGC's regulation on Payment of Premiums (29 CFR part 4007) prescribes rules for the payment of premiums and submission of premium-related information. Electronic filing is required. The information that must be filed is set forth and explained in a document entitled "Premium Payment Instructions" posted on PBGC's web site. The information collection is approved by OMB under control number 1212-0009; current approval expires March 31, 2018.

PBGC is making only non-material and non-substantive changes in the information collection for 2016. In addition to minor editorial revisions, the changes include the following:

Premium rates and caps, examples, and filing deadlines are updated, and an explanation of an expired transition rule for small plans' filing deadlines is deleted.

The explanation of procedures for opting out of or into the "lookback rule" is revised to reflect experience with plans' use of the rule in 2014 and 2015 and the procedures currently applicable to the opt-out/opt-in process. The lookback rule allows small plans to base premiums on prior-year data, but they may opt out under certain circumstances, which are tied to when the lookback rule would first apply (in the absence of an opt-out). In limited circumstances, plans that opt out may be allowed to opt back in. The revised instructions reflect the fact that many plans have opted out and that the year when the lookback rule would first apply to most plans has passed.

An item of information about offering lump sums to annuitants, which was collected for 2015, is no longer collected for 2016. This change reflects guidance from the Internal Revenue Service under which IRS provided that such payments are not permitted.

The address in the Paperwork Reduction Act notice for submitting comments is changed to reflect an internal PBGC reorganization.