

Justification for No Material or Nonsubstantive Change to Currently-Approved Collection

AGENCY: Pension Benefit Guaranty Corporation (PBGC)

TITLE: Instructions for Payment of Termination Premium

STATUS: OMB control number 1212-0064; expires March 31, 2026

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The Pension Benefit Guaranty Corporation (PBGC) is making a change that is not material to the currently approved instructions for payment of termination premiums.

PBGC administers the pension plan termination insurance program under title IV of ERISA. Section 4006(a)(7) of ERISA provides for a “termination premium” (in addition to the flat-rate and variable-rate premiums under sections 4006(a)(3) and (8)) that is payable for 3 years following certain distress and involuntary plan terminations. PBGC’s regulations on Premium Rates (29 CFR part 4006) and Payment of Premiums (29 CFR part 4007) implement the termination premium. In general, the termination premium applies where a single-employer plan terminates in a distress termination under section 4041(c) of ERISA or in an involuntary termination under section 4042 of ERISA after 2005. The same termination premium is payable each year, starting shortly after the termination date or after the conclusion of bankruptcy proceedings in certain cases. Sections 4007.3 and 4007.13(b) of the premium payment regulation require the filing of termination premium information and payments with PBGC. The termination premium and related information must be filed by a person liable for the termination premium. The persons liable for the termination premium are contributing sponsors and members of their controlled groups.

PBGC uses Form T for payment of the termination premium and its corresponding instructions to inform filers how to complete the form. For plan years beginning on or after 01/01/2026, PBGC is removing from the Form T instructions the option for filers to make termination premium payments by paper check. Filers will make termination premium payments either through My Plan Administration Account (My PAA, PBGC’s secure web-based application for submitting and paying premium filings), Pay.gov or by direct ACH debit from their bank. These changes conform with Executive Order 14247, which directs federal agencies to phase out the use of paper checks for payments to and from the public, subject to limited exceptions.

Additionally, PBGC proposes other editorial revisions to the section of the Form T instruction addressing where to file and pay, to improve clarity.

The proposed changes to the information collection will not increase the hour or cost burden.

The foregoing changes are shown below in red and blue:

*Where to file **and pay***

Termination premium filings ~~are exempt from electronic filing requirements. Form T~~

~~may be filed either;~~ generally are submitted electronically via the My PAA "Submit a Request" ~~quick link (" option (b) below)~~ on the Plan Details page or by email at premiums@pbgc.gov.

The termination premium must be paid electronically. In order to pay, please see the Premium Filing page for instructions on how to make payments including: online via My PAA and ~~The termination premium may be paid by paper check~~ Pay.gov, or ~~electronically~~ a direct ACH debit from your bank.

~~a.—In order to pay, please see the for the instructions on how and where to make payments (ACH, Fedwire, or paper checks).~~

~~b.—For correspondence only:~~

~~Submit correspondence to the PBGC electronically via the My PAA "Submit A Request" Quick Link, which is available to all My PAA practitioners with an active account, or by email at~~