VII. Regulatory Flexibility Act Certification

36. The Regulatory Flexibility Act of 1980 (RFA) [19] generally requires a description and analysis of any final rule that will have significant economic impact on a substantial number of small entities. The rule adopted here imposes requirements only on public utilities, which are not small businesses, and these requirements are, in fact, designed to benefit all customers, including small businesses.

37. The Commission has followed the provisions of both the RFA and the Paperwork Reduction Act on potential impact on small businesses and other small entities. Specifically, the RFA directs agencies to consider four regulatory alternatives to be considered in a rulemaking to lessen the impact on small entities: tiering or establishment of different compliance or reporting requirements for small entities, classification, consolidation, clarification or simplification of compliance and reporting requirements, performance rather than design standards, and exemptions. As the Commission originally stated in Order No. 889, the OASIS regulations now known as ''Standards for Business Practices and Communication Protocols for Public Utilities'' apply only to public utilities that own, operate, or control transmission facilities subject to the Commission's jurisdiction, and should a small entity be subject to the Commission's jurisdiction, it may file for waiver of these regulations.[20] The Commission is not modifying its prior determinations on this issue in this Final Rule.

38. The procedures the Commission is following in this Final Rule are in keeping with exemption provisions of the RFA. Accordingly, pursuant to section 605(b) of the RFA,[21] the Commission hereby certifies that the regulations proposed herein will not have a significant adverse impact on a substantial number of small entities.

VIII. Document Availability

39. In addition to publishing the full text of this document in the **Federal Register**, the Commission provides all interested persons an opportunity to view and/or print the contents of this document via the Internet through the Commission's Home Page (*http://www.ferc.gov*) and in the Commission's Public Reference Room during normal business hours (8:30 a.m. to 5 p.m. Eastern time) at 888 First Street, NE., Room 2A, Washington, DC 20426.

40. From the Commission's Home Page on the Internet, this information is available in the eLibrary. The full text of this document is available in the eLibrary both in PDF and Microsoft Word format for viewing, printing, and/or downloading. To access this document in eLibrary, type ''RM05–5'' in the docket number field.

41. User assistance is available for eLibrary and the Commission's Web site during the Commission's normal business hours. For assistance contact the Commission's Online Support services at *FERCOnlineSupport@ferc.gov* or toll-free at (866) 208–3676, or for TTY, contact (202) 502–8659.

IX. Effective Date and Congressional Notification

42. This Final Rule will become effective May 30, 2007. The Commission has determined with the concurrence of the Administrator of the Office of Information and Regulatory Affairs, Office of Management and Budget, that this rule is not a major rule within the meaning of section 251 of the Small Business Regulatory Enforcement Fairness Act of 1996.[22]

List of Subjects

18 CFR Part 38

Conflict of interests, Electric power plants, Electric utilities, Incorporation by reference, Reporting and recordkeeping requirements.

By the Commission.

Philis J. Posey,

Deputy Secretary.

■ In consideration of the foregoing, the Commission amends Chapter I, Title 18, part 38 of the *Code of Federal Regulations,* as follows:

PART 38—BUSINESS PRACTICE STANDARDS AND COMMUNICATION PROTOCOLS FOR PUBLIC UTILITIES

■ 1. The authority citation for part 38 continues to read as follows:

Authority: 16 U.S.C. 791–825r, 2601–2645; 31 U.S.C. 9701; 42 U.S.C. 7101–7352.

■ 2. In § 38.2, paragraph (a)(4) is revised to read as follows:

§ 38.2 Incorporation by reference of North American Energy Standards Board Wholesale Electric Quadrant standards.

(a) * * *

(4) Coordinate Interchange (WEQ–004, June 22, 2006);

* * * * *

[FR Doc. E7–7892 Filed 4–27–07; 8:45 am]

BILLING CODE 6717–01–P

[19] 5 U.S.C. 601–612.

[20] Small entities that qualified for a waiver from the requirements of Order Nos. 888 and 889 may apply for a waiver of the requirement to comply with the standards incorporated by reference in the regulations we are adopting in this Final Rule.

[21] 5 U.S.C. 605(b).

[22] *See* 5 U.S.C. 804(2).

RAILROAD RETIREMENT BOARD

20 CFR Part 220

RIN 3220–AB50

Determining Disability

AGENCY: Railroad Retirement Board.

ACTION: Final rule.

SUMMARY: The Board amends its regulations to index the amount of earnings used to determine if an individual is engaged in substantial gainful activity (SGA) to any increase in the Social Security national average wage index, to increase from $200 to $530 the minimum amount of monthly earnings to count during a trial work period and then index that amount to the Social Security national average wage index.

DATES: These rules are effective on April 30, 2007.

ADDRESSES: Beatrice Ezerski, Secretary to the Board, Railroad Retirement Board, 844 N. Rush Street, Chicago, Illinois 60611–2092.

FOR FURTHER INFORMATION CONTACT: Marguerite P. Dadabo, Assistant General Counsel, Office of General Counsel, Railroad Retirement Board, 844 N. Rush Street, Chicago, Illinois 60611–2092, (312) 751–4945, TDD (312) 751–4701.

SUPPLEMENTARY INFORMATION: The Railroad Retirement Act provides for disability annuities for employees, widow(er)s, and children of deceased railroad employees who are unable to engage in any regular employment because of a physical or mental impairment. Regular employment is defined by reference to the definition of substantial gainful activity under the Social Security Act. Sections 220.141 and 220.142 of the Board's regulations reflect this definition and define ''substantial gainful activity'' (SGA) as work activity that involves doing significant physical or mental activities for pay or profit. Work activity is gainful if it is the kind of work usually done for pay or profit, whether or not profit is realized. Section 220.143 sets forth earnings levels at which the Board considers a person to be engaged in SGA regardless of the severity of his or her impairment. The amount of average monthly earnings that ordinarily demonstrates SGA was increased effective July 1, 1999, when the Board

raised from $500 to $700 the average monthly earnings guidelines used to determine whether work done by a person is substantial gainful activity.

These regulations increase certain thresholds for disabled workers. Under this rule, the average monthly earnings guideline, which is used to determine whether work done by disabled workers is substantial gainful activity, is increased to $740.00 for calendar year 2001 and is thereafter automatically adjusted each year based on increases in the Social Security national average wage index. See 42 U.S.C. 409(k)(1). The amount that is used to determine if a disabled individual has performed ''services'' during a trial work period also is subject to an automatic annual adjustment. These changes conform to changes in the regulations of the Social Security Administration that became final effective January 29, 2001 (65 FR 82905, December 29, 2000).

In order to be eligible for disability benefits, an applicant must not be performing substantial gainful activity. A beneficiary's ongoing eligibility for disability benefits is also subject to this rule. Therefore, the Board has established both upper and lower thresholds as guidelines for determining, respectively, what is prima facie evidence of engaging in SGA and what is prima facie evidence of not engaging in SGA. Except for those who work in sheltered workshops, disabled workers with earnings between the two thresholds are subject to further examination. Currently, the upper and lower thresholds are $700 and $300, respectively. For those working in sheltered workshops, earnings below the upper threshold are prima facie evidence that the worker is not performing SGA.

Under this rule, beginning January 1, 2001, the upper threshold is adjusted annually, based on the Social Security national average wage index, to conform to the SGA level determined by the Social Security Administration (SSA) and published in the **Federal Register** each October as part of SSA's notice that includes new adjustments. Under this rule, the SGA amount will never be lower than the previous year's amount. However, there may be years in which there is no increase.

As part of this rule, the Board also eliminates the lower SGA threshold so that earnings below the upper threshold would be prima facie evidence that a disabled worker is not engaging in SGA, regardless of whether the worker is working in competitive employment or in a sheltered workshop.

The Board also increases the monthly amount that a disabled worker may earn within a trial work period without jeopardizing the amount of time remaining in the trial work period. This change is being made to conform the Board's regulations to the monthly earnings allowed within a trial work period in the regulations of the Social Security Administration. Currently, a disabled worker may test his or her ability to work and still be considered disabled by working during a trial work period. A disabled beneficiary will continue to be considered disabled until the beneficiary performs ''service'' in at least nine months within a rolling 60-month period. Since 1990, the Board has considered any month in which at least more than $200 is earned to be a month of service.

Under the final rule, the threshold amount is increased to $530 for 2001, and then is adjusted annually thereafter based on the Social Security national average wage index to conform to the amount determined by the Social Security Administration and published in the **Federal Register** every October. The Board notes that while the SGA amount has increased since 1990, during the same period, the trial work period services amount has remained unchanged. As with the change shown for the SGA threshold amount, the trial work period amount will never be lower than the previous year's amount.

Final Regulations—Background

The Board revises Sections 220.143(b)(2) and (b)(4) to adjust annually the earnings guidelines that we use to determine whether an employee is engaged in substantial gainful activity. Beginning January 2001, the average monthly earnings considered to be substantial gainful activity is increased from $700 to $740. Beginning January 2001, the guideline is the higher of the previous year's amount or an increased amount as computed and published by the Social Security Administration based on the Social Security national average wage index.

The Board also amends Sec. 220.143(b)(2) and (b)(4) to clarify that this guideline applies to earnings from sheltered work. This standard also applies to the self-employed in certain circumstances by cross-references that have been and continue to be present in Sec. 220.144 of this part.

The Board revises Sec. 220.143(b)(3) and (b)(6) to provide, beginning January 2001, that we will ordinarily find that an employee whose average monthly earnings are equal to or less than the ''substantial gainful activity amount'' set forth in Sec. 220.143(b)(2) has not engaged in substantial gainful activity without considering other information beyond the employee's earnings. The Board also makes conforming changes to Sec. 220.143(b)(4).

The Board revises Sec. 220.170 to increase from $200 to $530 the minimum amount of monthly earnings that we consider shows that a person is performing or has performed ''services'' for counting trial work period months, effective January 1, 2001. We also will adjust the amount annually to the higher of the previous year's amount or an increased amount based on the Social Security national average wage index, beginning January 1, 2002. In addition, effective January 1, 2001, for a self-employed person with net earnings from self-employment equal to or less than the dollar threshold for ''services'' the Board increases the number of hours of self-employed work in a business each month that the Board will consider shows services are performed from more than 40 hours to more than 80 hours.

The Board published the proposed rule on June 9, 2003 (68 FR 34341) and invited comments by August 8, 2003. No comments were received. This final rule is similar to the proposed rule published on June 9, 2003 except for the following changes that have been made to the proposed draft to be more consistent with similar regulations issued by the Social Security Administration (SSA) and to provide clarification about the subject matter:

- § 220.143(b)(2)—A phrase has been added to provide clarification concerning earnings from sheltered employment.
- § 220.143(b)(2)(i) and (ii)—The year 2002 in both sections has been changed to 2001 to be more consistent with the other sections being revised.
- § 220.143 Table 1—The reference to calendar year 2001 and the corresponding monthly earnings for that year have been eliminated for consistency with the other sections being revised.
- § 220.143(b)(4)—The phrase ''Before January 1, 2002'' has been removed from the heading because the section deals with sheltered employment before and after January 1, 2002. The year 2002 in the first sentence has been changed to 2001 to be more consistent with other sections being revised. The phrase ''in paragraph (b)(2)'' has been changed to ''in Table 1 of this section'' wherever it appears. A new sentence was added at the end of this subsection to explain what occurs for months beginning January 1, 2001 for claimants working in sheltered workshops.
- § 220.143(b)(6)(i) and (ii)—The year 2002 in both sections has been changed

to 2001 to be more consistent with the other sections being revised.

• § 220.170(b)—The first two sentences of this subsection have been revised to clarify the description of what is meant by ''services.''

• § 220.170(b)(2)(ii)—This subsection has been revised to state that if an individual performed more than 80 hours, instead of the previous limit of 40 hours, of self-employed activities in a business in a month beginning in calendar year 2001, the Board will consider services were performed.

• § 220.170(b) Table 1—This table has been revised to show the $200 limit applies in calendar years 1990–2000, not 1990–2001 as shown in the proposed rule. Table 2—This table has been revised to change the hours of work for a self-employed individual from 40 hours to 80 hours beginning in calendar year 2001.

The most significant revision to the proposed rule that was published in June, 2003 increases the minimum monthly hours of work from 40 to 80 that show a self-employed individual performed services. This change makes the Board's regulations consistent with those of the Social Security Administration, which were also modified when a final rule was published by that agency on December 29, 2000, to show 80 hours. This change is less restrictive and will encourage beneficiaries with disabilities to more realistically test their ability to work with respect to self-employment activities.

Collection of Information Requirements

The amendments to this part do not impose information collection and record keeping requirements. Consequently, it need not be reviewed by the Office of Management and Budget under the authority of the Paperwork Reduction Act of 1995.

Regulatory Impact Statement

The primary purpose of this rule is to conform the Railroad Retirement Board rules governing substantial gainful activity and a trial work period to the regulations of the Social Security Administration. The Board published a proposed rule to amend these sections on June 9, 2003 (68 FR 34341) and invited comments by August 8, 2003. No comments were received. The draft final rule is similar to the proposed rule except for the changes identified in the Supplementary Information. The single most significant revision to the proposed rule that was published in June 2003 increases the minimum monthly hours of work from 40 to 80 that show that a self-employed individual performed services. This change and the other changes made by the final draft rule, like the changes in the published proposed regulation, have been made in order to make the regulations of the Railroad Retirement Board more consistent with similar regulations issued by the Social Security Administration and to provide clarification about the subject matter. In addition, the changes made by this rule will generally make the current regulatory provisions less restrictive in order to encourage individuals to try to return to work. For all of these reasons, the decision was made to have the rule take effect upon publication.

Prior to publication of this final rule, the Board submitted the rule to the Office of Management and Budget for review pursuant to Executive Order 12866. Executive Order 12866 directs agencies to assess all costs and benefits of available regulatory alternatives and when regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). A regulatory impact analysis (RIA) must be prepared for rules that constitute significant regulatory action, including rules that have an economic effect of $100 million or more annually. This final rule is not a major rule in terms of the aggregate costs involved. Specifically, we have determined that this final rule is not a major rule with economically significant effects because it would not result in increases in total expenditures of $100 million or more per year.

The amendments made by this final rule are significant. The amendments to §§ 220.143 and 220.170 will index the amount of earnings used to determine if an individual is engaged in substantial gainful activity (SGA) to any increase in the Social Security national average wage index, and increases from $200 to $530 the minimum amount of monthly earnings to count during a trial work period, and then index that amount to the Social Security national average wage index.

Both the Regulatory Flexibility Act and the Unfunded Mandates Act of 1995 define ''agency'' by referencing the definition of ''agency'' contained in 5 U.S.C. 551(l). Section 551(l)(E) excludes from the term ''agency'' an agency that is composed of representatives of the parties or of representatives of organizations of the parties to the disputes determined by them. The Railroad Retirement Board falls within this exclusion (45 U.S.C. 231f(a)) and is therefore exempt from the Regulatory Flexibility Act and the Unfunded Mandates Act.

Executive Order 13132 establishes certain requirements that an agency must meet when it promulgates a rule that imposes substantial direct compliance costs on State and local governments, preempts State law, or otherwise has Federalism implications. We have reviewed this final rule under the threshold criteria of Executive Order 13132 and have determined that it would not have a substantial direct effect on the rights, roles, and responsibilities of States or local governments.

In accordance with the provisions of Executive Order 12866, this regulation has been reviewed by the Office of Management and Budget.

List of Subjects in 20 CFR Part 220

Railroad Retirement.

■ For the reasons stated in the preamble, the Railroad Retirement Board amends part 220 of chapter II of title 20 of the Code of Federal Regulations as follows:

PART 220—DETERMINING DISABILITY

■ 1. The authority citation for part 220 continues to read as follows:

Authority: 45 U.S.C. 231a; 45 U.S.C. 231f.

Subpart L—Substantial Gainful Activity

■ 2. Section 220.143 is amended by revising paragraphs (b)(2), (b)(3), (b)(4), and (b)(6) to read as follows:

§ 220.143 Evaluation guides for an employed claimant.

* * * * *

(b) * * *

(2) *Earnings that will ordinarily show that the claimant has engaged in substantial gainful activity.* The Board will consider that the earnings from the employed claimant (including earnings from sheltered work, see paragraph (b)(4) of this section) show that the claimant engaged in substantial gainful activity if:

(i) *Before January 1, 2001*, the earnings averaged more than the amount(s) in Table 1 of this section for the time(s) in which the claimant worked.

(ii) *Beginning January 1, 2001*, the earnings are more than an amount determined for each calendar year to be the larger of:

(A) The amount for the previous year, or

(B) The amount established by the Social Security Administration to constitute substantial gainful activity for such year.

TABLE 1.—AMOUNTS INDICATING SUBSTANTIAL GAINFUL ACTIVITY PERFORMED

For months	Monthly earnings averaged more than
In calendar years before 1976	$200
In calendar year 1976	230
In calendar year 1977	240
In calendar year 1978	260
In calendar year 1979	280
In calendar years 1980–1989	300
January 1990–June 1999	500
July 1999–December 2000	700

(3) *Earnings that will ordinarily show that the claimant has not engaged in substantial gainful activity.* Beginning January 1, 2001, if the claimant's earnings are equal to or less than the amount(s) determined under paragraph (b)(2)(ii) of this section for the year(s) in which the claimant works, the Board will generally consider that the earnings from the claimant's work as an employee will show the claimant has not engaged in substantial gainful activity. Before January 1, 2001, if the claimant's earnings were less than the amount(s) in Table 2 of this section for the year(s) in which the claimant worked, the Board will generally consider that the earnings from the claimant's work as an employee will show that the claimant has not engaged in substantial gainful activity.

TABLE 2.—AMOUNTS INDICATING SUBSTANTIAL GAINFUL ACTIVITY NOT PERFORMED

For months	Monthly earnings averaged less than
In calendar years before 1976	$130
In calendar year 1976	150
In calendar year 1977	160
In calendar year 1978	170
In calendar year 1979	180
In calendar years 1980–1989	190
In calendar years 1990–2000	300

(4) *If the claimant worked in a sheltered workshop.* Before January 1, 2001 if the claimant worked in a sheltered workshop or a comparable facility especially set up for severely impaired persons, the Board will ordinarily consider that the claimant's earnings from this work show that the claimant has engaged in substantial gainful activity if the claimant's earnings average more than the amounts in Table 1 of this section. Average monthly earnings from a sheltered workshop or a comparable facility that are equal to or less than those indicated in Table 1 of this section will ordinarily show that the claimant has not engaged in substantial gainful activity without the need to consider the other information, as described in paragraph (b)(6) of this section, regardless of whether they are more or less than those indicated in paragraph (b)(3) of this section. When the claimant's earnings from a sheltered workshop or comparable facility are equal to or less than those amounts indicated in Table 1 of this section, the Board will consider the provisions of paragraph (b)(6) of this section only if there is evidence that the claimant may have done substantial gainful activity. For work performed in a sheltered workshop or comparable facility beginning January 1, 2001, the rules of paragraph (b)(2), (3), and (6) apply the same as they do to any other work done by an employee.

* * * * *

(6) *Earnings that are not high enough to ordinarily show that the claimant engaged in substantial gainful activity.* (i) Before January 1, 2001, if the claimant's average monthly earnings were between the amounts shown in paragraphs (b)(2) and (3) of this section, the Board will generally consider other information in addition to the claimant's earnings (see paragraph (b)(6)(iii) of this section). This rule generally applies to employees who did not work in a sheltered workshop or a comparable facility, although the Board may apply it to some people who work in sheltered workshops or comparable facilities (see paragraph (b)(4) of this section).

(ii) Beginning January 1, 2001, if the claimant's average monthly earnings are equal to or less than the amounts determined under paragraph (b)(2) of this section, the Board will generally not consider other information in addition to the claimant's earnings unless there is evidence indicating that the claimant may be engaging in substantial gainful activity or that the claimant is in a position to defer or suppress his or her earnings.

(iii) Examples of other information the Board may consider include, whether—

(A) The claimant's work is comparable to that of unimpaired people in the claimant's community who are doing the same or similar occupations as their means of livelihood, taking into account the time, energy, skill, and responsibility involved in the work, and

(B) The claimant's work, although significantly less than that done by unimpaired people, is clearly worth the amounts shown in paragraph (b)(2) of this section, according to pay scales in the claimant's community.

Subpart N—Trial Work Period and Reentitlement Period for Annuitants Disabled for any Regular Employment

■ 3 . Section 220.170 is amended by revising paragraph (b) to read as follows:

§ 220.170 The trial work period.

* * * * *

(b) *What the Board means by services.* When used in this section, services means any activity (whether legal or illegal), even though it is not substantial gainful activity, which is done in employment or self-employment for pay or profit, or is the kind normally done for pay or profit. We generally do not consider work done without remuneration to be services if it is done merely as therapy or training, or if it is work usually done in a daily routine around the house, or in self-care.

(1) *If the claimant is an employee.* The Board will consider the claimant's work as an employee to be services if:

(i) Before January 1, 2002, the claimant's earnings in a month were more than the amount(s) indicated in Table 1 of this section for the year(s) in which the claimant worked.

(ii) *Beginning January 1, 2002*, the claimant's earnings in a month are more than an amount determined for each calendar year to be the larger of:

(A) Such amount for the previous year, or

(B) The amount established by the Social Security Administration for such year as constituting the amount of monthly earnings used to determine whether a person has performed services for counting trial work period months.

(2) *If the claimant is self-employed.* The Board will consider the claimant's activities as a self-employed person to be services if:

(i) *Before January 1, 2002*, the claimant's net earnings in a month were more than the amount(s) indicated in Table 2 of this section for the year(s) in which the claimant worked, or the hours the claimant worked in the business in a month are more than the number of hours per month indicated in Table 2 for the years in which the claimant worked.

(ii) *Beginning January 1, 2002*, the claimant worked more than 80 hours a month in the business, or the claimant's net earnings in a month are more than an amount determined for each calendar year to be the larger of:

(A) Such amount for the previous year, or

(B) The amount established by the Social Security Administration for such year as constituting the amount of monthly earnings used to determine whether a person has performed services for counting trial work period months.

TABLE 1.—FOR NON SELF-EMPLOYED

For months	You earn more than
In calendar years before 1979	$50
In calendar years 1979–1989	75
In calendar years 1990–2000	200
In calendar year 2001	530

TABLE 2.—FOR THE SELF-EMPLOYED

For months	Your net earnings are more than	Or you work in the business more than (hours)
In calendar years before 1979	$50	15
In calendar years 1979–1989	75	15
In calendar years 1990–2000	200	40
In calendar year 2001	530	80

* * * * *

Dated: April 24, 2007.

By Authority of the Board.

Beatrice Ezerski,

Secretary to the Board.

[FR Doc. E7–8155 Filed 4–27–07; 8:45 am]

BILLING CODE 7905–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Parts 1 and 602

[TD 9324]

RIN 1545–BF04

Designated Roth Accounts Under Section 402A

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Final Regulations.

SUMMARY: This document contains final regulations under sections 401(k), 402(g), 402A, and 408A of the Internal Revenue Code (Code) relating to designated Roth accounts. These final regulations provide guidance concerning the taxation of distributions from designated Roth accounts under qualified cash or deferred arrangements under section 401(k). These final regulations will affect administrators of, employers maintaining, participants in, and beneficiaries of section 401(k) and section 403(b) plans, as well as owners and beneficiaries of Roth IRAs and trustees of Roth IRAs.

DATES: *Effective Date:* These final regulations are effective April 30, 2007.

Applicability Date: These regulations generally apply to taxable years beginning on or after January 1, 2007. For dates of applicability, see §§ 1.401(k)–1(f)(6), 1.402A–1, A–15, 1.402A–2, A–4 and 1.408A–10, A–6.

FOR FURTHER INFORMATION CONTACT: R. Lisa Mojiri-Azad or William D. Gibbs at 202–622–6060, or Cathy A. Vohs, 202–622–6090 (not toll-free numbers).

SUPPLEMENTARY INFORMATION:

Paperwork Reduction Act

The collection of information contained in these final regulations was reviewed and approved by the Office of Management and Budget (OMB) for review in accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3507(d)) under control number OMB–1545–1992.

The collection of information in these final regulations is in 26 CFR 1.402A–2. This information is required to comply with the separate accounting and recordkeeping requirements of section 402A. This information will be used by the IRS and employers maintaining designated Roth accounts to insure compliance with the requirements of section 402A. The collection of information is required to obtain a benefit. The likely recordkeepers are state or local governments, business or other for-profit institutions, nonprofit institutions, and small businesses or organizations.

The estimated annual burden per respondent under control number OMB–1545–1992 is 2.3 hours.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid control number assigned by the Office of Management and Budget.

Books or records relating to a collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.

Background

This document contains final regulations under section 402A, and amendments to regulations under sections 401(k), 402(g), and 408A of the Internal Revenue Code. Section 402A, which sets forth rules for designated Roth contributions, was added to the Code by section 617(a) of the Economic Growth and Tax Relief Reconciliation Act of 2001, Public Law 107–16 (115 Stat. 103) (EGTRRA), effective for taxable years beginning after December 31, 2005. These final regulations also reflect certain provisions of the Pension Protection Act of 2006, Public Law 109–280, (120 Stat. 780) (PPA '06), including section 811 of PPA '06, which repealed the sunset provisions of EGTRRA with respect to section 402A.

Section 401(k) sets forth rules for qualified cash or deferred arrangements under which an employee may make an election between cash and an employer contribution to a plan qualified under section 401(a). Section 403(b) permits a similar salary reduction agreement under which payments are made to a section 403(b) plan. Section 402(e)(3) provides that an amount is not