

Announcement 99-41

Federal Insurance Contributions Act (FICA) Taxation of Amounts Under Employee Benefit Plans; Correction

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Correction to final regulations.

SUMMARY: This document contains corrections to Treasury Decision 8814, 1999-9 I.R.B. 4, which was published in the **Federal Register** on Friday, January 29, 1999 (64 F.R. 4542) that provides guidance as to when amounts deferred under or paid from a nonqualified deferred compensation plan are taken into account as wages for purposes of the employment taxes imposed by the Federal Insurance Contributions Act (FICA).

DATES: This correction is effective January 29, 1999.

FOR FURTHER INFORMATION CONTACT: Janine Cook, Linda E. Alsalihi, or Margaret Owens, (202) 622-6040 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Background

The final regulations that are the subject of these corrections are under section 3121 of the Internal Revenue Code.

Need for Correction

As published, T.D. 8814 contains errors which may prove to be misleading and are in need of clarification.

Correction of Publication

Accordingly, the publication of the final regulations (T.D. 8814), which was the subject of FR Doc. 99-1663, is corrected as follows:

1. On page 4542, column 1, in the regulation heading, the language “RIN 1545-AT27” is corrected to read “RIN 1545-AF97”.

§31.3121(v)(2)-1 [Corrected]

2. On page 4550, column 3, §31.3121(v)(2)-1(b)(5), paragraph (i) of

Example 10, line 9, the language “employee’s designated beneficiary in a single” is corrected to read “employee’s designated beneficiary in a single lump”.

3. On page 4551, column 1, §31.3121(v)(2)–1(b)(5), paragraph (ii) of *Example 10*, line 3 from the bottom of the paragraph, the language “payable in the event of the Employee E’s” is corrected to read “payable in the event of Employee E’s”.

4. On page 4551, column 1, §31.3121(v)(2)–1(b)(5), paragraph (ii) of *Example 11*, line 4 from the bottom of the paragraph, the language “E under the plan during the Employee E’s” is corrected to read “E under the plan during Employee E’s”.

5. On page 4566, column 3, §31.3121(v)(2)–1(g)(5), paragraph (i) of *Example 8*, line 14, the language “Based Employer R’s estimate that Employee” is corrected to read “Based on Employer R’s estimate that Employee”.

6. On page 4566, column 3, §31.3121(v)(2)–1(g)(5), paragraph (i) of *Example 8*, line 5 from the bottom of the paragraph, the language “which Employee R has a legally binding right” is corrected to read “which Employee F has a legally binding right”.

Cynthia E. Grigsby,
Chief, Regulations Unit,
Assistant Chief Counsel (Corporate).

(Filed by the Office of the Federal Register on March 31, 1999, 8:45 a.m., and published in the issue of the Federal Register for April 1, 1999, 64 F.R. 15687)