

(5) Corporation may prescribe time

The Pension Benefit Guaranty Corporation may prescribe a time other than the time prescribed by this section for the making of a determination or the filing of a notice under this section.

(f) Financial assistance**(1) Permissive application**

If the plan sponsor of an insolvent plan for which the resource benefit level is above the level of basic benefits anticipates that, for any month in an insolvency year, the plan will not have funds sufficient to pay basic benefits, the plan sponsor may apply for financial assistance from the Pension Benefit Guaranty Corporation under section 4261 of the Employee Retirement Income Security Act of 1974.

(2) Mandatory application

A plan sponsor who has determined a resource benefit level for an insolvency year which is below the level of basic benefits shall apply for financial assistance from the Pension Benefit Guaranty Corporation under section 4261 of the Employee Retirement Income Security Act of 1974.

(g) Financial assistance

Any amount of any financial assistance from the Pension Benefit Guaranty Corporation to any plan, and any repayment of such amount, shall be taken into account under this subpart in such manner as determined by the Secretary.

(h) Subsections (a) and (c) shall not apply to a plan that, for the plan year, is operating under section 432(e)(9), regarding benefit suspensions by certain multiemployer plans in critical and declining status.

(Added Pub. L. 96-364, title II, §202(a), Sept. 26, 1980, 94 Stat. 1282; amended Pub. L. 109-280, title II, §213(a), Aug. 17, 2006, 120 Stat. 917; Pub. L. 113-235, div. O, title I, §108(b)(2), Dec. 16, 2014, 128 Stat. 2787.)

REFERENCES IN TEXT

Section 4022A(g)(5) of the Employee Retirement Income Security Act of 1974, referred to in subsec. (a), is classified to section 1322a(g)(5) of Title 29, Labor.

Section 4261 of the Employee Retirement Income Security Act of 1974, referred to in subsecs. (b)(3) and (f), is classified to section 1431 of Title 29, Labor.

Section 101(f)(1) of the Employee Retirement Income Security Act of 1974, referred to in subsec. (e)(1), is classified to section 1021(f)(1) of Title 29, Labor.

AMENDMENTS

2014—Subsec. (c)(1). Pub. L. 113-235, §108(b)(2)(A), substituted “critical status, as described in subsection 432(b)(2),” for “reorganization”.

Subsec. (c)(2). Pub. L. 113-235, §108(b)(2)(B), designated existing provisions as subpar. (A), struck out “(within the meaning of section 418(b)(6))” after “pay status”, and added subpar. (B).

Subsec. (d). Pub. L. 113-235, §108(b)(2)(A), substituted “critical status, as described in subsection 432(b)(2),” for “reorganization” wherever appearing.

Subsec. (d)(1). Pub. L. 113-235, §108(b)(2)(C)(i), which directed amendment of par. (1) by striking out “(determined in accordance with section 418B(3)(B)(ii))”, was executed by striking out “(determined in accordance with section 418B(b)(3)(B)(ii))” after “compare the value of plan assets” to reflect the probable intent of Congress.

Subsec. (d)(4). Pub. L. 113-235, §108(b)(2)(C)(ii), added par. (4).

Subsec. (e)(1). Pub. L. 113-235, §108(b)(2)(A), substituted “critical status, as described in subsection 432(b)(2),” for “reorganization”.

Subsec. (e)(1)(A). Pub. L. 113-235, §108(b)(2)(D)(i), which directed substitution of “the parties described in section 101(f)(1) of the Employee Retirement Income Security Act of 1974” for “the corporation, the parties described in section 418A(a)(2), and the plan participants and beneficiaries”, was executed by making the substitution for “the Pension Benefit Guaranty Corporation, the parties described in section 418A(a)(2), and the plan participants and beneficiaries” to reflect the probable intent of Congress.

Subsec. (e)(1)(B). Pub. L. 113-235, §108(b)(2)(D)(ii), substituted “section 101(f)(1) of the Employee Retirement Income Security Act of 1974” for “section 418A(a)(2) and the plan participants and beneficiaries”.

Subsec. (e)(2). Pub. L. 113-235, §108(b)(2)(A), substituted “critical status, as described in subsection 432(b)(2),” for “reorganization”.

Subsec. (h). Pub. L. 113-235, §108(b)(2)(E), added subsec. (h).

2006—Subsec. (d)(1). Pub. L. 109-280 substituted “5 plan years” for “3 plan years” the second place it appeared and inserted at end “If the plan sponsor makes such a determination that the plan will be insolvent in any of the next 5 plan years, the plan sponsor shall make the comparison under this paragraph at least annually until the plan sponsor makes a determination that the plan will not be insolvent in any of the next 5 plan years.”

EFFECTIVE DATE OF 2014 AMENDMENT

Amendment by Pub. L. 113-235 applicable with respect to plan years beginning after Dec. 31, 2014, see section 108(c) of div. O of Pub. L. 113-235, set out as an Effective Date of Repeal note under section 418 of this title.

EFFECTIVE DATE OF 2006 AMENDMENT

Pub. L. 109-280, title II, §213(b), Aug. 17, 2006, 120 Stat. 918, provided that: “The amendments made by this section [amending this section] shall apply with respect to the determinations made in plan years beginning after 2007.”

EFFECTIVE DATE

Section effective, with respect to each plan, on the first day of the first plan year beginning on or after the earlier of the date on which the last collective-bargaining agreement providing for employer contributions under the plan, which was in effect on Sept. 26, 1980, expires, without regard to extensions agreed to after such date, or 3 years after Sept. 26, 1980, see section 210 of Pub. L. 96-364, set out as a note under section 194A of this title.

SUBPART D—TREATMENT OF WELFARE BENEFIT FUNDS

Sec.

419. Treatment of funded welfare benefit plans.

419A. Qualified asset account; limitation on additions to account.

§ 419. Treatment of funded welfare benefit plans**(a) General rule**

Contributions paid or accrued by an employer to a welfare benefit fund—

(1) shall not be deductible under this chapter, but

(2) if they would otherwise be deductible, shall (subject to the limitation of subsection (b)) be deductible under this section for the taxable year in which paid.