

Pension Benefit Guaranty Corporation

74-18

December 5, 1974

REFERENCE:

[\*1] 4021(a) Plans Covered. Requirements of Coverage

OPINION:

This is in response to your request for an opinion regarding the coverage of the \* \* \* under Title IV of the Employee Retirement Income Security Act of 1974. You advise that the plan expects to achieve tax-qualified status under Section 401(a) of the Internal Revenue Code in the immediate future.

Section 4021(a)(2) of the Act provides that plans which are tax-qualified, either in fact or by reason of a determination by the Secretary of the Treasury, are covered. When the plan in fact becomes tax-qualified and meets the other coverage requirements of Section 4021, the plan administrator must pay premiums from such date. If the coverage conclusion is erroneous, a refund of the premium payment will be made.

Henry Rose  
General Counsel