

Pension Benefit Guaranty Corporation

75-80

November 28, 1975

REFERENCE:

4007(b) Payment of Premiums. Penalties and Interest

OPINION:

This is in response to your letter of October 3, 1975, requesting that no penalty be levied against either of the above referenced plans as a result of late premium payments.

We regret that we are unable to grant your request. We are sympathetic with the unfortunate circumstances which you have described. Those circumstances might have been sufficient to grant a waiver of a late payment charge, if a request had been made before the due date. See section 4007(b) of the Act. However, a request for a waiver of late payment charges filed after that period is subject to a more stringent test.

Accordingly, you will receive a billing in the near future from the PBGC for the applicable interest and late payment charges. We have also noted that the premiums due for the plan year in progress on the date of enactment were not timely and the appropriate charges will be included in the billing.

Steven E. Schanes  
Executive Director