

Pension Benefit Guaranty Corporation

79-11

Withdrawn on February 12, 2026

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July 31, 1979

REFERENCE:

[*1] 4001(b) Definitions. Employer and Controlled Group
4006 Premium Rates
4007(a). Payment of Premiums. Due Dates
29 CFR 2602 Payment of Premiums
4021. Plans Covered

OPINION:

This is in reference to your recent letter to this Office and subsequent telephone call regarding the proper method of computing the participant count to be entered on line 14 of Form PBGC-1 (Rev. July, 1978). In your telephone conversation with a member of our staff, you asked whether an individual should be counted twice for premium payment purposes in the following situations: (1) where an individual is vested under two covered plans maintained by the same employer or by a controlled group of employers and is not currently accruing benefits under either plan; and (2) where an individual has credited service in more than one plan maintained by the same employer or by a controlled group of employers and is currently accruing benefits under one of the plans.

Where an individual is vested under one covered plan but is not currently accruing benefits under it, such individual is included in the participant count. 29 C.F.R. § 2602.2 (1976). However, an individual need be counted only once for premium payment purposes when [*2] he is vested under two covered plans but is currently accruing benefits under neither of them.

The PBGC's position on participant count where benefits are currently being accrued is stated in the preamble to the Regulation on the Payment of Premiums, 41 Fed. Reg. 32740 (1976). An individual who has credited service in more than one plan maintained by the same employer or by a controlled group of employers need be counted for premium purposes only by the plan or plans in which such individual is currently accruing benefits. Thus, in the second situation you describe, the individual would be counted once since he is accruing benefits in only one plan. See PBGC-1 Package, p.5.

I trust that the above has answered your inquiry. If you have any other questions, please contact * * * of this Office at (202) 254-4895.

Henry Rose
General Counsel