

PBGC to participants in single-employer plans that have terminated in that year.

Section 230(d) of the Social Security Act (42 U.S.C. 430(d)) provides special rules for determining the contribution and benefit base for purposes of ERISA section 4022(b)(3)(B). Each year the Social Security Administration determines, and notifies the PBGC of, the contribution and benefit base to be used by the PBGC under these provisions, and the PBGC publishes an amendment to Appendix D to Part 4022 to add the guarantee limit for the coming year.

The PBGC has been notified by the Social Security Administration that, under section 230 of the Social Security Act, \$72,600 is the contribution and benefit base that is to be used to calculate the PBGC maximum guaranteeable benefit for 2007. Accordingly, the formula under section 4022(b)(3)(B) of ERISA and 29 CFR 4022.22(b) is: \$750 multiplied by \$72,600/\$13,200. Thus, the maximum monthly benefit guaranteeable by the PBGC in 2007 is \$4,125.00 per month in the form of a life annuity beginning at age 65. This amendment updates Appendix D to Part 4022 to add this maximum guaranteeable amount for plans that terminate in 2007. (If a benefit is payable in a different form or begins at a different age, the maximum guaranteeable amount is the actuarial equivalent of \$4,125.00 per month.)

General notice of proposed rulemaking is unnecessary. The maximum guaranteeable benefit is determined according to the formula in section 4022(b)(3)(B) of ERISA, and these amendments make no change in its method of calculation but simply list 2007 maximum guaranteeable benefit amounts for the information of the public.

The PBGC has determined that this action is not a "significant regulatory action" under the criteria set forth in Executive Order 12866.

Because no general notice of proposed rulemaking is required for this regulation, the Regulatory Flexibility Act of 1980 does not apply (5 U.S.C. 601(2)).

**List of Subjects in 29 CFR Part 4022**

Pension insurance, Pensions, Reporting and recordkeeping requirements.

■ In consideration of the foregoing, 29 CFR part 4022 is amended as follows:

**PART 4022—BENEFITS PAYABLE IN TERMINATED SINGLE-EMPLOYER PLANS**

■ 1. The authority citation for part 4022 continues to read as follows:

**Authority:** 29 U.S.C. 1302, 1322, 1322b, 1341(c)(3)(D), and 1344.

■ 2. Appendix D to part 4022 is amended by adding a new entry to the end of the table to read as follows. The introductory text is reproduced for the convenience of the reader and remains unchanged.

**Appendix D to Part 4022—Maximum Guaranteeable Monthly Benefit**

The following table lists by year the maximum guaranteeable monthly benefit payable in the form of a life annuity commencing at age 65 as described by § 4022.22(b) to a participant in a plan that terminated in that year:

Year	Maximum guaranteeable monthly benefit
* * * * *	
2007 .....	\$4,125.00

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**Vincent K. Snowbarger,**  
*Interim Director, Pension Benefit Guaranty Corporation.*  
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**PENSION BENEFIT GUARANTY CORPORATION**

**29 CFR Part 4044**

**Allocation of Assets in Single-Employer Plans; Valuation of Benefits and Assets; Expected Retirement Age**

**AGENCY:** Pension Benefit Guaranty Corporation.

**ACTION:** Final rule.

**SUMMARY:** This rule amends the Pension Benefit Guaranty Corporation's regulation on Allocation of Assets in Single-Employer Plans by substituting a new table that applies to any plan being terminated either in a distress termination or involuntarily by the PBGC with a valuation date falling in 2007, and is used to determine expected retirement ages for plan participants. This table is needed in order to compute the value of early retirement benefits and, thus, the total value of benefits under the plan.

**DATES:** *Effective Date:* January 1, 2007.

**FOR FURTHER INFORMATION CONTACT:**

Catherine B. Klion, Manager, Regulatory and Policy Division, Legislative and Regulatory Department, Pension Benefit Guaranty Corporation, 1200 K Street, NW., Washington, DC 20005, 202-326-4024. (TTY/TDD users may call the Federal relay service toll-free at 1-800-877-8339 and ask to be connected to 202-326-4024.)

**SUPPLEMENTARY INFORMATION:** The PBGC's regulation on Allocation of Assets in Single-Employer Plans (29 CFR part 4044) sets forth (in subpart B) the methods for valuing plan benefits of terminating single-employer plans covered under Title IV of the Employee Retirement Income Security Act of 1974. Under ERISA section 4041(c), guaranteed benefits and benefit liabilities under a plan that is undergoing a distress termination must be valued in accordance with part 4044, subpart B. In addition, when the PBGC terminates an underfunded plan involuntarily pursuant to ERISA Section 4042(a), it uses the subpart B valuation rules to determine the amount of the plan's underfunding.

Under § 4044.51(b) of the asset allocation regulation, early retirement benefits are valued based on the annuity starting date, if a retirement date has been selected, or the expected retirement age, if the annuity starting date is not known on the valuation date. Sections 4044.55 through 4044.57 set forth rules for determining the expected retirement ages for plan participants entitled to early retirement benefits. Appendix D of part 4044 contains tables to be used in determining the expected early retirement ages.

Table I in appendix D (Selection of Retirement Rate Category) is used to determine whether a participant has a low, medium, or high probability of retiring early. The determination is based on the year a participant would reach "unreduced retirement age" (*i.e.*, the earlier of the normal retirement age or the age at which an unreduced benefit is first payable) and the participant's monthly benefit at unreduced retirement age. The table applies only to plans with valuation dates in the current year and is updated annually by the PBGC to reflect changes in the cost of living, etc.

Tables II-A, II-B, and II-C (Expected Retirement Ages for Individuals in the Low, Medium, and High Categories respectively) are used to determine the expected retirement age after the probability of early retirement has been determined using Table I. These tables establish, by probability category, the expected retirement age based on both

the earliest age a participant could retire under the plan and the unreduced retirement age. This expected retirement age is used to compute the value of the early retirement benefit and, thus, the total value of benefits under the plan.

This document amends appendix D to replace Table I-06 with Table I-07 in order to provide an updated correlation, appropriate for calendar year 2007, between the amount of a participant's benefit and the probability that the participant will elect early retirement. Table I-07 will be used to value benefits in plans with valuation dates during calendar year 2007.

The PBGC has determined that notice of and public comment on this rule are impracticable and contrary to the public interest. Plan administrators need to be able to estimate accurately the value of

plan benefits as early as possible before initiating the termination process. For that purpose, if a plan has a valuation date in 2007, the plan administrator needs the updated table being promulgated in this rule. Accordingly, the public interest is best served by issuing this table expeditiously, without an opportunity for notice and comment, to allow as much time as possible to estimate the value of plan benefits with the proper table for plans with valuation dates in early 2007.

The PBGC has determined that this action is not a "significant regulatory action" under the criteria set forth in Executive Order 12866.

Because no general notice of proposed rulemaking is required for this regulation, the Regulatory Flexibility

Act of 1980 does not apply (5 U.S.C. 601(2)).

**List of Subjects in 29 CFR Part 4044**

Pension insurance, Pensions.

■ In consideration of the foregoing, 29 CFR part 4044 is amended as follows:

**PART 4044—[AMENDED]**

■ 1. The authority citation for part 4044 continues to read as follows:

**Authority:** 29 U.S.C. 1301(a), 1302(b)(3), 1341, 1344, 1362.

■ 2. Appendix D to part 4044 is amended by removing Table I-06 and adding in its place Table I-07 to read as follows:

**Appendix D to Part 4044—Tables Used To Determine Expected Retirement Age**

**TABLE I-07.—SELECTION OF RETIREMENT RATE CATEGORY**  
[For plans with valuation dates after December 31, 2006, and before January 1, 2008]

Participant reaches URA in year—	Participant's Retirement Rate Category is—			
	Low <sup>1</sup> if monthly benefit at URA is less than—	Medium <sup>2</sup> if monthly benefit at URA is		High <sup>3</sup> if monthly benefit at URA is greater than—
		From	To	
2008 .....	522	522	2,204	2,204
2009 .....	534	534	2,257	2,257
2010 .....	547	547	2,311	2,311
2011 .....	560	560	2,367	2,367
2012 .....	574	574	2,426	2,426
2013 .....	588	588	2,486	2,486
2014 .....	603	603	2,549	2,549
2015 .....	618	618	2,612	2,612
2016 .....	634	634	2,678	2,678
2017 or later .....	649	649	2,745	2,745

<sup>1</sup> Table II-A.  
<sup>2</sup> Table II-B.  
<sup>3</sup> Table II-C.

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**Vincent K. Snowbarger,**  
Interim Director, Pension Benefit Guaranty Corporation.  
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**DEPARTMENT OF THE TREASURY**

**31 CFR Part 1**

**Privacy Act; Implementation**

**AGENCY:** Internal Revenue Service, Treasury.

**ACTION:** Interim final rule.

**SUMMARY:** In accordance with the requirements of the Privacy Act of 1974,

as Amended, the Department of the Treasury gives notice of an amendment to this part by revising the titles of two Privacy Act systems of records and removing five other Privacy Act systems of records. The systems of records are related to the functions of the Internal Revenue Service (IRS), Office of Professional Responsibility (OPR).

**DATES:** *Effective Date:* January 2, 2007. Comments must be received no later than January 2, 2007. You may also submit comments through the Federal rulemaking portal at <http://www.regulations.gov> (follow the instructions for submitting comments).

**ADDRESSES:** Comments should be sent to the Office of Governmental Liaison and Disclosure, IRS, 1111 Constitution Avenue, NW., Washington, DC 20224. To arrange to see the comments, see **FOR FURTHER INFORMATION CONTACT** below.

**FOR FURTHER INFORMATION CONTACT:** Earl Prater, Senior Counsel, OPR, at (202) 874-5936, or for voice mail, (202) 622-8018 (not toll free numbers).

**SUPPLEMENTARY INFORMATION:** The IRS is proposing to simplify the administration of OPR's Privacy Act systems of records by consolidating the current 11 OPR systems. A proposed notice to revise and consolidate the Privacy Act systems of records maintained by the OPR will be published separately in the **Federal Register**. The proposed notice to alter OPR's current 11 systems of records will consolidate all records into the three revised systems of records: Treasury/IRS 37.006—Correspondence, Miscellaneous Records, and Information Management Records; Treasury/IRS 37.007—Practitioner Disciplinary Records; and Treasury/IRS 37.009—Enrolled Agent Records.