§ 1.414(f)-1  Definition of multiemployer plan.

(a) General rule. For purposes of part I of subchapter D of chapter 1 of the Code and the regulations thereunder, a plan is a multiemployer plan for a plan year if all of the following requirements are satisfied:

(1) Number of contributing employers. More than one employer is required by the plan instrument or other agreement to contribute (or to have contributions made on its behalf) to the plan for the plan year.

(2) Collective bargaining agreement. The plan is maintained for the plan year pursuant to one or more collective bargaining agreements between employee representatives and more than one employer.

(3) Amount of contributions. Except as provided by paragraph (c) of this section (relating to the special rule for contributions exceeding 50 percent), the amount of contributions made under the plan for the plan year by or on behalf of each employer is less than 50 percent of the total amount of contributions made under the plan for such plan year by or on behalf of all employers.

(4) Benefits. The plan provides that the amount of benefits payable with respect to each employee participating in the plan is determined without regard to whether or not his employer continues as a member of the plan. If benefits accrued as a result of the participant’s service with his employer during a period before such employer was a member of the plan, this requirement does not apply to the amount of those benefits, except that this requirement does apply to the amount of those benefits (i) which are accrued benefits derived from employee contributions, or (ii) which are accrued under a plan maintained by an employer prior to the time such employer became a member of the plan to which the requirements of this paragraph (a) are applied.


(b) Special rules—(1) Amount of contributions. For purposes of paragraphs (a)(3) and (c) of this section, the amount of contributions made under the plan for the plan year by or on behalf of each employer shall be the sum of such contributions made on or before the last day of the plan year. For purposes of determining whether contributions are made on or before the last day of the plan year, the rule of section 412(c)(10) and the regulations thereunder (relating to the treatment of certain contributions made after the last day of the plan year as made on such last day) shall apply.

(2) Benefits. (i) For purposes of paragraph (a)(4) of this section, certain benefit amounts are treated as accrued as a result of the participant’s service with an employer during a period before such employer was a member of the plan. The amount of such a benefit so treated is the difference (if any) between two calculated amounts. The first calculated amount is the participant’s total accrued benefit calculated under the plan as of the date the employer ceased to be a member of the plan. The second calculated amount is the participant’s accrued benefit calculated without regard to his service with such employer during the period before such employer was a member of the plan. The second calculated amount is the participant’s accrued benefit calculated under the plan as of the date the employer ceased to be a member of the plan. However, under a special limitation, this difference may not exceed the benefit a participant accrued from service before his employer became a member of the plan. For purposes of

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this limitation, this benefit is the benefit accrued as of the date the em-
ployer ceases to be a member of the plan. An employer shall be deemed to be a member of the plan in a plan year if the employer is required by the plan instrument or other agreement to con-
tribute (or to have contributions made on its behalf) to the plan for such plan year or if an employee of the employer accrues a benefit, on account of service with the employer during such plan year, under the plan for that plan year.

(ii) The provisions of paragraphs (a)(4) and (b)(2)(i) of this section are il-
lustrated by the following example:

Example. On January 1, 1976, employer W became a member of the noncontributory XYZ pension plan which uses the calendar year as the plan year. W did not maintain any plan prior to that date. The plan pro-
vided for benefits of $4 per month per year of service (including service with W before Jan-
uary 1, 1976). On January 1, 1980, following adoption of a new collective bargaining agree-
ment, the benefits were increased to $12 per month per year of service for all years of
service (including service with W before January 1, 1976). On January 1, 1991, W ceased to
be a member of the plan.

A, an employee of W, had 15 years of serv-
ence before January 1, 1976, 4 years of service between January 1, 1976, and December 31, 1979, and 11 years of service between January 1, 1980, and December 31, 1990. On December 31, 1990, A’s accrued benefit was $360 per
month ($12 per month × 30). On January 1, 1991, the portion of A’s accrued benefit re-
tained and the portion forfeited under the terms of the XYZ pension plan were deter-
moved as follows:

<table>
<thead>
<tr>
<th>Years</th>
<th>Monthly accrued benefit retained</th>
<th>Monthly accrued benefit forfeited</th>
</tr>
</thead>
<tbody>
<tr>
<td>Before Jan. 1, 1976</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jan. 1, 1976 to Dec. 31, 1979</td>
<td>8$4/4 years=$16</td>
<td>$12=5 years=$180</td>
</tr>
<tr>
<td>Jan. 1, 1980 to Dec. 31, 1990</td>
<td>$12=11 years=$132</td>
<td>$8=4 years=$32</td>
</tr>
<tr>
<td>Total</td>
<td>$148</td>
<td>$212</td>
</tr>
</tbody>
</table>

The XYZ plan does not satisfy the require-
ments of paragraphs (a)(4) and (b)(2)(i) of this section because no benefit can be forfeited
with respect to service after W began partici-
pating in the plan. Thus, the maximum ac-
cruded benefit that may be forfeited is $180
per month (the accrued benefit with respect
to A’s service prior to January 1, 1976). There-
fore, in order for the plan to meet the 
requirements of paragraphs (a)(4) and
(b)(2)(i) of this section, the plan must pro-
vide for A’s accrued benefit after W ceased to
be a member of the plan to be at least $180
per month ($360 per month total accrued ben-
efit less $180 per month benefit accrued
for service prior to W’s membership in the plan).

(iii) For purposes of paragraphs (a)(4) and
(b)(2) of this section, if an em-
ployee for a period employs two or
more individuals who, solely by reason of their employment, are participants in the plan and who do not belong to the
same collective bargaining unit, the
dates on which the employer be-
came and ceased to be a member of the plan shall be determined separately on
a class basis for individuals who belong
to separate collective bargaining units,
as separate classes, and for individuals who
do not belong to a collective bar-
gaining unit, as a further single sepa-
rate class. Thus, such dates shall be de-
termined with respect to individuals as a
class who belong to the same collec-
tive bargaining unit (or who do not be-
long to a collective bargaining unit) without consideration of the employ-
ment by the employer of, or the par-
ticipation in the plan by, other individ-
uals (who do not belong to such collec-
tive bargaining unit and who may be-
long to another collective bargaining unit) or whether the employer is a
member of the plan with respect to
such other individuals. In no event,
however, may service not attributable
to service with a particular collective bargaining unit be disregarded under
paragraphs (a)(4) and (b)(2) of this section
merely because the employer ceases to maintain the plan with re-
spect to such unit. Thus, for example,
paragraphs (a)(4) and (b)(2) of this section
do not permit the disregard of a period of service of an individual be-
longing to a collective bargaining unit prior to the time the employer became
a member of the plan with respect to
such unit to the extent that, during such period of service, the individual

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This section contains rules for determining
the qualified status of certain employee
retirement plans. It is based on section 414 of
the Internal Revenue Code of 1986.

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The table above shows the monthly accrued benefits retained and forfeited for different periods of service with the employer. The calculations are based on the plan's accrual rate and the dates when the employee ceased to be a member of the plan. The example demonstrates how the accrued benefits are calculated and how they are distributed between benefits retained and forfeited.
belonged to another collective bargaining unit with respect to which the employer was a member of the plan.

(3) Controlled groups. For purposes of section 414(f) and this section, all corporations which are members of a controlled group of corporations (within the meaning of section 1563(a) and the regulations thereunder, but determined without regard to section 1563(e)(3)(C) and the regulations thereunder) are deemed to be one employer.

(c) Contributions exceeding 50 percent. If a plan was a multiemployer plan as defined in this section for any plan year (including plan years ending prior to September 3, 1974), “75 percent” shall be substituted for “50 percent” in applying paragraph (a)(3) of this section for subsequent plan years until the first plan year following a plan year in which the amount contributed by or on behalf of one employer is 75 percent or more of the total amount of contributions made under the plan for that plan year by or on behalf of all of the employers making contributions. In such case “75 percent” shall not again be substituted for “50 percent” until the plan has met the requirements of paragraph (a) of this section (determined without regard to this paragraph) for one plan year.

(d) Examples. The application of this section is illustrated by the following examples. For purposes of these examples, assume that the plan meets the requirements of paragraphs (a) (1), (2), (4), and (5) of this section for each plan year.

Example 1. On January 1, 1970, U, V, and W, three employers none of which is a member of a controlled group of corporations with any of the other two employers, establish a plan with a plan year corresponding to the calendar year. X, Y, and Z each contribute less than one-half of the total contributions made under the plan for 1975. The plan is a multiemployer plan for 1975 because it meets the 50 percent contribution requirement of paragraph (a)(3) of this section.

(ii) Second plan year. For the second plan year, 1976, X contributes 70 percent and Y and Z each contribute 15 percent of the total contributions made under the plan. The plan is a multiemployer plan for 1976 because it was a multiemployer plan for the preceding plan year and satisfies the 75 percent contribution requirement of paragraph (c) of this section.

(iii) Third plan year. For the third plan year, 1977, X contributes 80 percent and Y and Z each contribute 10 percent of the total contributions made under the plan. The plan is not a multiemployer plan for 1977 because it fails to satisfy the 75 percent contribution requirement of paragraph (c) of this section.

(iv) Fourth plan year. For the fourth plan year, 1978, Y contributes 60 percent and X and Z each contribute 20 percent of the total contributions made under the plan. The 75 percent contribution requirement of paragraph (c) of this section does not apply. The plan is not a multiemployer plan for 1978 because it fails to satisfy the 50 percent contribution requirement of paragraph (a)(3) of this section.

(v) Fifth plan year. For the fifth plan year, 1979, X, Y, and Z each contribute less than one-half of the total contributions made under the plan. The 75 percent contribution requirement of paragraph (c) of this section does not apply. The plan is a multiemployer plan for 1979 because it again meets the 50 percent contribution requirement of paragraph (a)(3) of this section.

(vi) Sixth plan year. For the sixth plan year, 1980, the plan will continue to be a multiemployer plan, provided that no employer contributes 75 percent or more of the total amount of contributions made under the plan for the plan year.

(e) Retention of records. (1) For plan years ending prior to September 3, 1974, a plan may be required to furnish proof that it met the requirements of section 414(f) and this section for each plan year ending prior to that date to the extent necessary to show the applicability of the 75 percent test provided in paragraph (c) of this section.

(2) For plan years ending after September 2, 1974, a plan may be required to furnish proof that it met the requirements of section 414(f) and this section.
§ 1.414(g)–1 Definition of plan administrator.

(a) In general. For purposes of part I of subchapter D of chapter 1 of the Code and the regulations thereunder, if the instrument under which the plan is operated for a plan year specifically designates a person or a group of persons as plan administrator, the person or group of persons collectively is the plan administrator for the plan year. The instrument may specifically designate a plan administrator—

(1) By name,

(2) By reference to the person or group of persons holding a named position or positions,

(3) By reference to a procedure established under the terms of the instrument pursuant to which a plan administrator is designated, or

(4) By reference to the person or group of persons charged with specific responsibilities of plan administrator.

Consistent with the provisions of section 405 (c) (1) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1105 (c) (1)), a plan may provide for the allocation of specific responsibilities of plan administrator among named persons and for named persons to designate others to carry out such responsibilities. A person or group of persons may be designated as plan administrator in accordance with the rules of this paragraph even though the person or group of persons does not carry the specific title “plan administrator”. In the absence of a person or group of persons designated as the plan administrator (individually, collectively, or by designation of different specific administrative responsibilities), the plan administrator for the plan year is the person or group of persons specified in paragraph (b) of this section.

(b) Plan administrator not specifically designated. If no person or group of persons is specifically designated as the plan administrator for a plan year by the instrument under which the plan is operated, the plan administrator for such year is the person or group of persons determined under the following rules:

(1) Single employer. In the case of a plan maintained by a single employer, the employer is the plan administrator. If the employer is a corporation, the corporation is the plan administrator. However, the corporation’s board of directors may authorize a person or group of persons to fulfill responsibilities of the corporation as plan administrator. In the absence of such authorization, any corporate officer authorized under law, corporate by-laws, or resolution of the board of directors to act on behalf of the corporation with respect to contracts of a value equivalent to the fair market value of the assets of the plan shall be presumed to have authority to fulfill responsibilities of the corporation as plan administrator. For purposes of this paragraph (b) (1), “employer” means the “employer” as defined in section 3 (5) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1003 (5)).

(2) Employee organization. In the case of a plan maintained by an employee organization, the employee organization is the plan administrator.

(3) Group representing the parties. In the case of a plan maintained by two or more employers, or jointly by one or more employers and one or more employee organizations, the association, committee, joint board of trustees, or other similar group of representatives of the parties who maintain the plan, as the case may be, is the plan administrator. For purposes of this subparagraph (3), a plan shall be considered maintained by two or more employers or jointly by one or more employers and one or more employee organizations only if none of the parties has the express power, under the terms of the instrument under which the plan is operated, to terminate the plan unilaterally.

(4) Person in control of assets. In any case where a plan administrator may not be determined by application of paragraphs (a) and (b), (1), (2), and (3) of this section, the plan administrator is the person or persons actually responsible, whether or not under the terms of the plan, for the control, disposition,