



to benefits under the plan on account of disability. Section 412(l) provides additional funding requirements for certain underfunded defined benefit pension plans that have more than 100 participants and that are not multi-employer plans. In general, the additional funding requirements are determined based on a plan's unfunded current liability. Rev. Rul. 95-28, 1995-1 C.B. 74, sets forth the mortality table that generally must be used to determine current liability under § 412(l). Section 412(l)(7)(C)(iii)(I) provides that the Secretary shall establish mortality tables that may be used, in lieu of the generally applicable mortality tables, to determine current liability under §412(l) for individuals who are entitled to benefits under the plan on account of disability.

Rev. Rul. 96-7 provides two mortality tables that may be used in calculating current liability for individuals who are entitled to benefits under the plan on account of disability. Rev. Rul. 96-7 provides a mortality table that may be used for plan years beginning after December 31, 1995, in lieu of the mortality table required to be used under §412(l)(7)(C)(ii), for purposes of determining current liability for individuals entitled to benefits under the plan on account of disability, whose disabilities occurred in plan years beginning before January 1, 1995. The mortality table takes into account the experience for individuals who are entitled to benefits on account of disability under the Railroad Retirement System and the Civil Service Retirement System. This experience covers a large workforce over a broad range of occupational categories and is the best available information.

Rev. Rul. 96-7 also provides a mortality table that may be used for plan years beginning after December 31, 1995, in lieu of the mortality table required to be used under §12(l)(7)(C)(ii), for purposes of determining current liability for individuals entitled

to benefits under the plan on account of disability, whose disabilities occur in plan years beginning after December 31, 1994. This mortality table may be used only for individuals who are disabled within the meaning of title II of the Social Security Act and the regulations thereunder. The mortality table takes into account the Social Security Administration's experience for individuals who are receiving disability benefits under its program.

Rev. Rul. 96-7 is effective for plan years beginning after December 31, 1995. The Service plans to review the mortality tables set forth in Rev. Rul. 96-7 and, if appropriate, to issue new guidance for plan years beginning after December 31, 1996. Accordingly, the Service is soliciting public comment regarding the mortality tables in Rev. Rul. 96-7, as well as other aspects of Rev. Rul. 96-7, including the desirability of any adjustment to these aggregate mortality tables to reflect a select and ultimate pattern of mortality. Public comments should be submitted in writing on or before July 1, 1996. Comments should be sent to the following address:

Internal Revenue Service  
1111 Constitution Ave., NW  
Washington, DC 20224  
Attn: Edward Sypher  
CP:E:EP:A:1, Room 2548

#### DRAFTING INFORMATION

The principal author of this announcement is Edward Sypher of the Employee Plans Division. For further information regarding this announcement, please contact the Employee Plans Division's taxpayer assistance telephone service at (202) 622-6076 between 2:30 and 4:00 Eastern time (not a toll-free number) Monday through Thursday. Mr. Sypher's number is (202) 622-6245 (also not a toll-free number).

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### Mortality Assumptions Used to Calculate an Underfunded Defined Benefit Pension Plan's Current Liability for Individuals Entitled to Benefits on Account of Disability

#### Announcement 96-4

The Internal Revenue Service has issued Rev. Rul. 96-7, page 12, this Bulletin, to provide guidance regarding the mortality assumptions used under § 412(l)(7)(C)(iii) of the Internal Revenue Code for plans that are subject to the additional funding requirements of § 412(l), to calculate a plan's current liability for individuals who are entitled