

Section 401.—Qualified Pension, Profit-Sharing and Stock Bonus Plans

Covered compensation tables; 1997.

The covered compensation tables for the 1997 calendar year for determining contributions to defined benefit plans and permitted disparity are set forth.

Rev. Rul. 96-53

This revenue ruling provides tables of covered compensation under § 401(l)-(5)(E) of the Internal Revenue Code (the "Code") and the Income Tax Regulations, thereunder, for the 1997 plan year.

Section 401(l)(5)(E)(i) defines covered compensation with respect to an employee, as the average of the contribution and benefit bases in effect under § 230 of the Social Security Act (the "Act") for each year in the 35-year period ending with the year in which the employee attains social security retirement age.

Section 401(l)(5)(E)(ii) of the Code states that the determination for any year preceding the year in which the employee attains social security retirement age shall be made by assuming that there is no increase in covered compensation after the determination year and before the employee attains social security retirement age.

Section 1.401(l)-1(c)(34) of the regulations defines the taxable wage base as the contribution and benefit base under § 230 of the Act.

Section 1.401(l)-1(c)(7)(i) defines covered compensation for an employee as the average (without indexing) of the taxable wage bases in effect for each calendar year during the 35-year period ending with the last day of the calendar year in which the employee attains (or will attain) social security retirement age. A 35-year period is used for all in-

dividuals regardless of the year of birth of the individual. In determining an employee's covered compensation for a plan year, the taxable wage base for all calendar years beginning after the first day of the plan year is assumed to be the same as the taxable wage base in effect as of the beginning of the plan year. An employee's covered compensation for a plan year beginning after the 35-year period applicable under § 1.401(l)-1(c)(7)(i) is the employee's covered compensation for a plan year during which the 35-year period ends. An employee's covered compensation for a plan year beginning before the 35-year period applicable under § 1.401-1(c)(7)(i) is the taxable wage base in effect as of the beginning of the plan year.

Section 1.401(l)-1(c)(7)(ii) provides that, for purposes of determining the amount of an employee's covered compensation under § 1.401(l)-1(c)(7)(i), a plan may use tables, provided by the Commissioner, that are developed by rounding the actual amounts of covered compensation for different years of birth.

For purposes of determining covered compensation for the 1997 year the taxable wage base is \$65,400.

The following tables provide covered compensation for 1997:

1997 Covered Compensation Table

Calendar Year of Birth	Calendar Year of Social Security Retirement Age	1997 Covered Compensation
1907-	1972-	\$4,488
1908-	1973-	4,704
1909-	1974-	5,004
1910-	1975-	5,316
1911-	1976-	5,664
1912-	1977-	6,060
1913-	1978-	6,480
1914-	1979-	7,044
1915-	1980-	7,692
1916-	1981-	8,460
1917-	1982-	9,300
1918-	1983-	10,236
1919-	1984-	11,232
1920-	1985-	12,276
1921-	1986-	13,368
1922-	1987-	14,520
1923-	1988-	15,708
1924-	1989-	16,968
1925-	1990-	18,312
1926-	1991-	19,728

Calendar Year of Birth	Calendar Year of Social Security Retirement Age	1997 Covered Compensation
1927-	1992-	21,192
1928-	1993-	22,716
1929-	1994-	24,312
1930-	1995-	25,920
1931-	1996-	27,576
1932-	1997-	29,304
1933-	1998-	31,032
1934-	1999-	32,772
1935-	2000-	34,500
1936-	2001-	36,180
1937-	2002-	37,860
1938-	2004-	41,148
1939-	2005-	42,792
1940-	2006-	44,448
1941-	2007-	46,056
1942-	2008-	47,616
1943-	2009-	49,104
1944-	2010-	50,568
1945-	2011-	52,008
1946-	2012-	53,400
1947-	2013-	54,768
1948-	2014-	55,980
1949-	2015-	57,108
1950-	2016-	58,128
1951-	2017-	59,064
1952-	2018-	59,916
1953-	2019-	60,708
1954-	2020-	61,440
1955-	2022-	62,724
1956-	2023-	63,312
1957-	2024-	63,804
1958-	2025-	64,212
1959-	2026-	64,560
1960-	2027-	64,836
1961-	2028-	65,064
1962-	2029-	65,196
1963-	2030-	65,316
1964 or later-	2031-	65,400

1997 Rounded Covered Compensation Table

Year of Birth	Covered Compensation
1932-1933-	\$30,000
1934-	33,000
1935-1936-	36,000
1937-	39,000
1938-1939-	42,000
1940-1941-	45,000
1942-1943-	48,000
1944-1945-	51,000
1946-1947-	54,000
1948-1950-	57,000
1951-1954-	60,000