



TaxNewsFlash

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Rev. Proc. 2016-51: Employee plan compliance, corrective programs update

The IRS today released an advance version of Rev. Proc. 2016-51 that updates the comprehensive system of correction programs for sponsors of retirement plans that are intended to satisfy the requirements of section 401(a), 403(a), 403(b), 408(k), or 408(p), but that have not met these requirements for a period of time.

This comprehensive system—the Employee Plans Compliance Resolution System or EPCRS—permits plan sponsors to correct these failures and thus to continue to provide their employees with retirement benefits on a tax-favored basis. The components of EPCRS are:

- The Self-Correction Program (SCP)
- The Voluntary Correction Program (VCP)
- The Audit Closing Agreement Program (Audit CAP)

Read text of the 119-page revenue procedure, [Rev. Proc. 2016-51](#) [PDF 508 KB]

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