

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

26 CFR 1.401(l)-1: Permitted disparity in employer-provided contributions or benefits.

Covered compensation tables; 2001.

Covered compensation tables for the year 2001 are provided for use in determining contributions to defined benefit plans and permitted disparity.

Rev. Rul. 2000-53

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 2001 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 section 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) defines the taxable wage base as the contribution and benefit base under section 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 individuals 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(l)-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 2001 year the taxable wage base is \$80,400.

The following tables provide covered compensation for 2001:

2001 COVERED COMPENSATION TABLE

CALENDAR YEAR OF BIRTH	CALENDAR YEAR OF SOCIAL SECURITY RETIREMENT AGE	2001 COVERED COMPENSATION TABLE II
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
1927	1992	21,192
1928	1993	22,716
1929	1994	24,312
1930	1995	25,920

2001 COVERED COMPENSATION TABLE—continued

CALENDAR YEAR OF BIRTH	CALENDAR YEAR OF SOCIAL SECURITY RETIREMENT AGE	2001 COVERED COMPENSATION TABLE II
1931	1996	27,576
1932	1997	29,304
1933	1998	31,128
1934	1999	33,060
1935	2000	35,100
1936	2001	37,212
1937	2002	39,312
1938	2004	43,464
1939	2005	45,540
1940	2006	47,616
1941	2007	49,656
1942	2008	51,648
1943	2009	53,568
1944	2010	55,452
1945	2011	57,312
1946	2012	59,148
1947	2013	60,936
1948	2014	62,580
1949	2015	64,140
1950	2016	65,580
1951	2017	66,960
1952	2018	68,232
1953	2019	69,444
1954	2020	70,620
1955	2022	72,756
1956	2023	73,764
1957	2024	74,700
1958	2025	75,528
1959	2026	76,296
1960	2027	77,004
1961	2028	77,664
1962	2029	78,228
1963	2030	78,780
1964	2031	79,284
1965	2032	79,704
1966	2033	80,052
1967	2034	80,280
1968 or later	2035	80,400

2001 ROUNDED COVERED COMPENSATION TABLE

YEAR OF BIRTH	COVERED COMPENSATION
1934	\$33,000
1935 - 1936	36,000
1937	39,000
1938	42,000
1939	45,000
1940	48,000
1941 - 1942	51,000
1943 - 1944	54,000
1945	57,000
1946 - 1947	60,000
1948 - 1949	63,000
1950 - 1951	66,000
1952 - 1953	69,000
1954 - 1955	72,000
1956 - 1959	75,000
1960 - 1963	78,000
1964 or later	80,400

Drafting Information

The principal author of this revenue ruling is Todd Newman of Employee Plans Actuarial Group 1 of the Tax Exempt and Government Entities Division. For further information regarding this revenue ruling, call (202) 622-6076 between 2:30 and 3:30 Eastern time (not a toll free number) Monday thru Thursday. Mr. Newman's number is (202) 622-8458 (also not a toll free number).