



TAX EXEMPT AND  
GOVERNMENT ENTITIES  
DIVISION

DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, D.C. 20224

NOV 14 2006

T:EP:RA:T:A2

Re:

Union =

Industry =

This letter constitutes notice that your request for an extension of the amortization period for unfunded liabilities described in section 412(b)(2)(B) of the Internal Revenue Code ("Code") and section 302(b)(2)(B) of the Employee Retirement Income Security Act of 1974 ("ERISA"), for the above-named plan for the plan year ending January 1, 2004, has been denied.

Section 412(e) of the Code and section 304(a) of ERISA authorize the Secretary to extend the period of time required to amortize any unfunded liability (described in section 412(b)(2)(B) of the Code and section 302(b)(2)(B) of ERISA) of a plan for a period of time (not in excess of 10 years) if the Secretary determines that such extension would carry out the purposes of ERISA and would provide adequate protection for participants under the plan and their beneficiaries and if the Secretary determines that the failure to permit such extension would (1) result in (A) a substantial risk to the voluntary continuation of the plan, or (B) a substantial curtailment of pension benefit levels or employee compensation, and (2) be adverse to the interests of plan participants in the aggregate.

Section 101 of Reorganization Plan No. 4 of 1978, 1979-1 C.B. 480, transferred the authority for issuing rulings under section 304(a) of ERISA from the Secretary of Labor to the Secretary of the Treasury.

The Plan is a multiemployer defined benefit plan, jointly sponsored by the Union and employers in the Industry.

As of January 1, 2004, the Plan was projected to have a minimum funding deficiency by January 1, 2007. However, actions taken by the Trustees and the bargaining parties have helped push back the onset of a potential accumulated funding deficiency to the 2013 plan year. Since the funding deficiency is not projected to occur for another seven years, a substantial curtailment of pension benefits levels is not absolutely necessary at this time. Furthermore, there is not a substantial risk to the voluntary continuation of the plan. Because a substantial curtailment of benefits is not imminent and the continuation of the Plan is not substantially at risk in the foreseeable future, the extension of the amortization period for unfunded liabilities has been denied.

This ruling is directed only to the taxpayer that requested it. Section 6110(k)(3) of the Code provides that it may not be used or cited by others as precedent.

We have sent a copy of this letter to the Manager, EP Classification in \_\_\_\_\_, to the Manager, EP Compliance Unit in \_\_\_\_\_ and to your authorized representative pursuant to a power of attorney on file in this office

If you require further assistance in this matter, please contact \_\_\_\_\_

Sincerely yours,

James E. Holland, Jr., Manager  
Employee Plans Technical