

## Section 409A Deadlines Extended Through December 31, 2008

November 2007

### Deadline For Written But Not Operational Compliance Extended

The Internal Revenue Service has extended through December 31, 2008 the deadline for bringing non-qualified deferred compensation arrangements into written compliance with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"). Notwithstanding the extension, operational compliance with Section 409A is currently required.

### Certain Transition Rules Extended

The deadline for changing payment dates for previously deferred compensation has also been extended through December 31, 2008. For example, during 2008, deferred payment dates can be changed as long as the changes do not affect payments that would otherwise be made during 2008 and do not accelerate payments into 2008. After 2008, any changes in payment dates would have to comply with the more restrictive rules of Section 409A.

### 409A Offshore Trust Deadline

The deadline for bringing deferred compensation arrangements involving offshore trusts or other similar arrangements into compliance with Section 409A was not extended. Therefore, it appears that assets held in all such arrangements must be brought under United States jurisdiction by December 31, 2007.

### For Additional Information

If you would like assistance identifying and addressing issues regarding non-qualified deferred compensation arrangements, please contact Shannon Anglin at 312.902.5409 or [shannon.anglin@kattenlaw.com](mailto:shannon.anglin@kattenlaw.com), Jill Darrow at 212.940.7113 or [jill.darrow@kattenlaw.com](mailto:jill.darrow@kattenlaw.com), Ed Rayner at 212.940.8515 or [ed.rayner@kattenlaw.com](mailto:ed.rayner@kattenlaw.com), Louise Tudor at 212.940.8535 or [louise.tudor@kattenlaw.com](mailto:louise.tudor@kattenlaw.com), or your Katten attorney.

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