

Errata to Additional IRC Section 430 Questions

Question 5

IRC section 430(c)(1) indicates that the total shortfall amortization charge for a particular year cannot be negative. Since the only shortfall amortization base for 2008 is negative and has a negative amortization installment associated with it, the shortfall amortization charge for 2008 is deemed to be \$0.

This makes the minimum required contribution for 2008 equal to:

Minimum required contribution as of 1/1/2008 = \$20,000 + \$6,659 = \$26,659