IRS Institutes Uniform Policy Regarding Same-Gender Spouses

On August 29, 2013, the IRS issued Revenue Ruling 2013-17 in response to the Supreme Court’s June 26 decision striking down Section 3 of the Defense of Marriage Act. The ruling establishes a uniform policy for the recognition of same-gender spouses for federal tax purposes, including qualified retirement plans.

A couple’s “state of celebration,” rather than the state of residence, will be the determining factor in the federal recognition of same-gender marriages. Under the ruling, qualified plans must therefore treat a same-gender spouse as a spouse for purposes of federal tax laws if the marriage took place in one of the 13 states and the District of Columbia where same-gender marriage is currently legally recognized, or in any foreign jurisdiction with legal same-gender marriage. Individuals within registered domestic partnerships and civil unions will not be considered spouses under this policy for qualified retirement plan purposes, although employers are permitted to make domestic partners the default beneficiary.

In FAQs released simultaneously with the ruling, the IRS states that it will be providing additional future guidance regarding plan amendments (and timing) and necessary corrections relating to plan operations for periods prior to future guidance.

Please join Ronald J. Triche, Esq., APM, ASPPA’s assistant general counsel and director of government affairs, for a webcast on September 11, 2013 to learn more about the effects of the new rules on the administration of employee benefit plans. Register here.