

IRS User Fees Increase July 1, 2006

The IRS issued a reminder on that several user fees will increase as of July 1, 2006.

Changes to User Fees

The IRS announced in IR-2005-144 the implementation of a new user fee schedule for letter rulings and determination letters for the Employee Plans (EP) division and the Exempt Organizations (EO) division.

Phase I of the new user fee schedule took effect on February 1, 2006, with increased fees for EP and EO letter rulings. Phase II of the new user fee schedule will take effect July 1, 2006.

Phase I – Effective February 1, 2006

- EP letter rulings fees, which previously ranged from \$95 to \$5,415, increased to \$200 to \$14,500.
- EO letter ruling fees, which previously ranged from \$155 to \$2,570, increased to \$275 to \$8,700.

Phase II - Effective July 1, 2006

- Under the revised and centralized EP determination letter program, fees for opinion and advisory letters and determination letters involving Forms 5300, 5307 and 5310, which currently range from \$125 to \$6,500, will increase to \$200 to \$15,000.
- EO fees for determination letters and requests for group exemption letters, which currently range from \$150 to \$500, will increase to \$300 to \$900.