

DIGEST

Mr. Richard L. Crain
Chief, Wage, Excise and
Administrative Provisions Branch
Internal Revenue Service
1111 Constitution Avenue, N.W.
Washington, D. C. 20224

MAY 13 1977
L 77-337

Dear Mr. Crain:

The Union Pacific Railroad Employees Hospital Association has requested an opinion from the Railroad Retirement Board as to whether the sick leave provisions of the enclosed Agreement constitute a "plan" within the meaning of section 1(h)(6)(vi) of the Railroad Retirement Act (45 U.S.C. § 231(h)(6)(vi)), which is identical to the provisions of clause (1) of section 3231(e)(1) of the Railroad Retirement Tax Act (26 U.S.C. § 3231(e)(1)).

Also enclosed is a proposed opinion in which I conclude that the sick leave provisions of the submitted Agreement, except as they relate to funeral leave qualify under the above-cited section of the Railroad Retirement Act and that, consequently, benefits paid pursuant to these provisions, except benefits paid for funeral leave would not be considered compensation under the Railroad Retirement Act.

Please advise us as soon as possible whether you concur with these conclusions.

Very truly yours,

Dale G. Zimmerman
General Counsel

Enclosures
L-77-337,1
TWS:mco