



Disclaimer

*The information and opinions presented today
are those of the presenter and do not necessarily
represent the opinions or positions of ASPPA.*

2015 Form 5500 / SUP



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2015 Form 5500 Revisions

- Most changes are associated with proposed IRS Form 5500-SUP
- Schedule MB / SB changes
- EFAST2 changes

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2015 Schedule MB Changes

- Renumbered Lines 4a and 4b

4 Information on plan status:		
a Funded percentage for monitoring plan's status (line 1b(2) divided by line 1c(3)).....	4a	%
b Enter code to indicate plan's status (see instructions for attachment of supporting evidence of plan's status). If code is "N," go to line 5.....	4b	

- New and renumbered lines 8b(1) and 8b(2)

8 Miscellaneous information:		
a If a waiver of a funding deficiency has been approved for this plan year, enter the date (MM-DD-YYYY) of the ruling letter granting the approval.....	8a	
b(1) Is the plan required to provide a projection of expected benefit payments? (See the instructions.) If "Yes," attach a schedule.....		<input type="checkbox"/> Yes <input type="checkbox"/> No
b(2) Is the plan required to provide a Schedule of Active Participant Data? (See the instructions.) If "Yes," attach a schedule.....		<input type="checkbox"/> Yes <input type="checkbox"/> No

- New edit tests

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EFAST2 Changes

- 2011 Form year is obsolete effective January 1, 2016
 - May no longer file 2011 Form 5500 even to amend a previously filed 2011 Form 5500 report
 - Will use the 2015 Form 5500 (or current year form) to submit 2011 (or earlier) plan year information
 - When using the 2015 form to submit 2011 (or earlier) data, information will not appear on the DOL's Public Disclosure website

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Form 5500-EZ Changes (draft)

4a Name of trust	4b Trust's EIN
4c Name of trustee or custodian	4d Trustee or custodian's telephone number

6a(1) Total number of participants at the beginning of the plan year	6a(1)	
a(2) Total number of active participants at the beginning of the plan year	6a(2)	
b(1) Total number of participants at the end of the plan year	6b(1)	
b(2) Total number of active participants at the end of the plan year	6b(2)	
c Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6c	

13a Has the plan been timely amended for all required tax law changes?	13a																	
b Date the last plan amendment/restatement for the required law changes was adopted (MM/DD/YYYY)																		
Enter the applicable code (see instructions for tax law changes and codes).																		
c If the employer is an adopter of a pre-approved master and prototype (M&P), or volume submitter plan that is subject to a favorable IRS opinion or advisory letter, enter the date of that favorable letter (MM/DD/YYYY) and the letter's serial number																		
d If the plan is an individually-designed plan and received a favorable determination letter from the IRS, enter the date of the plan's last favorable determination letter (MM/DD/YYYY)																		
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th></th> <th>Yes</th> <th>No</th> <th>N/A</th> </tr> <tr> <td>14 Were required minimum distributions made to 5% owners who have attained age 70½ (regardless of whether or not retired) as required under section 401(a)(9)?</td> <td></td> <td></td> <td></td> </tr> <tr> <td>15 Did the plan trust incur unrelated business taxable income? If "Yes," enter amount</td> <td></td> <td></td> <td></td> </tr> <tr> <td>16 Were in-service distributions made during the plan year? If "Yes," enter amount</td> <td></td> <td></td> <td></td> </tr> </table>				Yes	No	N/A	14 Were required minimum distributions made to 5% owners who have attained age 70½ (regardless of whether or not retired) as required under section 401(a)(9)?				15 Did the plan trust incur unrelated business taxable income? If "Yes," enter amount				16 Were in-service distributions made during the plan year? If "Yes," enter amount			
	Yes	No	N/A															
14 Were required minimum distributions made to 5% owners who have attained age 70½ (regardless of whether or not retired) as required under section 401(a)(9)?																		
15 Did the plan trust incur unrelated business taxable income? If "Yes," enter amount																		
16 Were in-service distributions made during the plan year? If "Yes," enter amount																		

Preparer's name (including firm name, if applicable) and address, including room or suite number	Preparer's telephone number
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Form 5500-SF Changes (draft)

Part VIII Trust Information	
14a Name of trust	14b Trust's EIN
14c Name of trustee or custodian	14d Trustee's or custodian's telephone number
Part IX IRS Compliance Questions	
15a Is the plan a 401(k) plan?	<input type="checkbox"/> Yes <input type="checkbox"/> No
15b If "Yes," how does the 401(k) plan satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under sections 401(k)(3) and 401(m)(2)?	<input type="checkbox"/> Design-based safe harbor method <input type="checkbox"/> ADP/ACP test
15c If the ADP/ACP test is used, did the 401(k) plan perform ADP/ACP testing for the plan year using the "current year testing method" for nonhighly compensated employees (Treas. Reg sections 1.401(k)-2(a)(2)(ii) and 1.401(m)-2(a)(2)(ii)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
16a Check the box to indicate the method used by the plan to satisfy the coverage requirements under section 410(b):	<input type="checkbox"/> Ratio percentage test <input type="checkbox"/> Average benefit test
16b Does the plan satisfy the coverage and nondiscrimination tests of sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules?	<input type="checkbox"/> Yes <input type="checkbox"/> No
17a Has the plan been timely amended for all required tax law changes?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
17b Date the last plan amendment/restatement for the required tax law changes was adopted ____/____/____. Enter the applicable code ____ (See instructions for tax law changes and codes).	
17c If the plan sponsor is an adopter of a pre-approved master and prototype (M&P) or volume submitter plan that is subject to a favorable IRS opinion or advisory letter, enter the date of that favorable letter ____/____/____ and the letter's serial number ____.	
17d If the plan is an individually-designed plan and received a favorable determination letter from the IRS, enter the date of the plan's last favorable determination letter ____/____/____.	
18 Is the Plan maintained in a U.S. territory (i.e., Puerto Rico (if no election under ERISA section 1022(i)(2) has been made), American Samoa, Guam, the Commonwealth of the Northern Mariana Islands or the U.S. Virgin Islands)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
19 Were in-service distributions made during the plan year?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If "Yes," enter amount	19 <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
20 Were required minimum distributions made to 5% owners who have attained age 70 ½ (regardless of whether or not retired), as required under section 401(a)(9)?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A



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Form 5500/Form 5500-SF Changes (draft)

- The word "Optional" has disappeared

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Schedules H/I Changes (draft)

o Did the plan trust incur unrelated business taxable income?	4o				
p Were in-service distributions made during the plan year?	4p				

Part V Trust Information	
6a Name of trust	6b Trust's EIN
6c Name of trustee or custodian	6d Trustee's or custodian's telephone number

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Schedule R Changes (draft)

- Exceptions to completing Schedule R if there have been no distributions during the year for certain defined contribution plans have been removed.

Part VII IRS Compliance Questions	
20a Is the plan a 401(k) plan?	<input type="checkbox"/> Yes <input type="checkbox"/> No
20b If "Yes," how does the 401(k) plan satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under sections 401(k)(3) and 401(m)(2)?	<input type="checkbox"/> Design-based safe harbor method <input type="checkbox"/> ADP/ACP test
20c If the ADP/ACP test is used, did the 401(k) plan perform ADP/ACP testing for the plan year using the "current year testing method" for nonhighly compensated employees (Treas. Reg sections 1.401(k)-2(a)(2)(ii) and 1.401(m)-2(a)(2)(ii)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
21a Check the box to indicate the method used by the plan to satisfy the coverage requirements under section 410(b):	<input type="checkbox"/> Ratio percentage test <input type="checkbox"/> Average benefit test
21b Does the plan satisfy the coverage and nondiscrimination tests of sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules?	<input type="checkbox"/> Yes <input type="checkbox"/> No
22a Has the plan been timely amended for all required tax law changes?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
22b Date the last plan amendment/restatement for the required tax law changes was adopted ____/____/____. Enter the applicable code _____. (See instructions for tax law changes and codes).	
22c If the plan sponsor is an adopter of a pre-approved master and prototype (M&P) or volume submitter plan that is subject to a favorable IRS opinion or advisory letter, enter the date of that favorable letter ____/____/____ and the letter's serial number _____.	
22d If the plan is an individually-designed plan and received a favorable determination letter from the IRS, enter the date of the plan's last favorable determination letter ____/____/____.	
23 Is the Plan maintained in a U.S. territory (i.e., Puerto Rico (if no election under ERISA section 1022(j)(2) has been made), American Samoa, Guam, the Commonwealth of the Northern Mariana Islands or the U.S. Virgin Islands)?	<input type="checkbox"/> Yes <input type="checkbox"/> No

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History of the SUP-data

Official Guidance

- To date, the IRS has posted the following
 - Draft Form 5500-**SUP** [10/21/2014; updated 03/27/2015]
www.irs.gov/pub/irs-dft/f5500sup-dft.pdf
 - Draft **Instructions** for Form 5500-SUP [12/18/2014; updated 03/30/2015]
www.irs.gov/pub/irs-dft/i5500sup-dft.pdf
 - Federal Register **Notice** and Request for Comment [12/23/2014]
 - Comment due date: February 23, 2015
- **ASPPA** was only benefits organization to comment.

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IRS Submission to OMB

- IRS stated that collection and reporting of the SUP-data created no additional “burden” for filers.
 - Used IRC §6058 as the basis for its authority
 - Dismissed public comments except those that took the “more is better” approach to data collection
- **ASPPA** letter pushed for delayed effective date
 - **ASPPA** met with OMB on July 14

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Effective for 2015?

- The effective date is problematic for service providers
 - Sufficient time to adapt electronic systems
 - Data collection issues, both internal and external
 - Some issues (e.g., nondiscrimination testing) may not be finalized by filing due date
- Communicating new data needs to plan administrators / plan sponsors
- **ASPPA** requested IRS make SUP-data items *optional* for 2015 plan year reporting.

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Where do things stand as of today?



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Preparer Information

- The Notice says....

Preparer Information: Preparer's name (including firm name, if applicable) Preparer address (include room or suite number) Preparer's telephone number	Forms 5500, 5500-SF, and 5500-Sup IRC §§ 6058(a) 7701(a)(36), 6109, 6695, § 1.6109 Similar questions were on 2008 and previous years Form 5500.	<ul style="list-style-type: none"> • Optional preparer information was eliminated from Form 5500 since 2009 and added back in the 2012 Form 5500s. Preparer information will be mandatory items for the plan year beginning in 2015. • EP Exam needs at least basic information of preparers, so that Exam can contact preparers for issues relating to Form 5500s and plan qualifications. • It will assist IRS and DOL for projects relating to tax compliance and fiduciary duties.
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Paid Preparer - Issues

- Requires individual's name as well as business name, address, phone
- Is this subject to public disclosure?
<http://www.dol.gov/ebsa/foia/foia-5500.html>
- Approximately 830 individuals preparing more than 10 filings voluntarily supplied information on the 2013 Form 5500 series

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IRS Responds....

7. Providers/developers support the notion that the preparer line can note a company name rather than an individual's name since teams are often responsible for preparing a single filing.	A preparer is defined in the instructions as "any person who prepares an annual return/report for compensation, or who employs one or more persons to prepare for compensation". If there are several people who prepare a Form 5500 and its applicable schedules, a filer should name the person who is primarily responsible for the preparation of the annual return/report as a preparer.
8. There is no authority for the preparer to represent the filer when the Government calls the preparer regarding a plan's filing. They do not feel as though they can respond to such calls. Providers/developers feel as though the fiduciary takes a back seat to the filing when the preparer information is on the form.	IRS collects preparer information but will not contact the preparer regarding the plan's filing without a Power of Attorney in place.

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Trust Information

- The Notice says....

Trust information: Name of trust Trust's EIN Name of trustee or custodian Trustee or custodian's telephone number	Form 5500, Schedule H/I, Forms 5500-SF, and 5500-Sup	IRC § 6058(a), 401(a), 501(a) Similar questions were previously on Schedule P	<ul style="list-style-type: none"> Trust information used to be in Schedule P, and was added to the 2012 Form 5500 as optional items. Trust information will be mandatory items for the plan year beginning in 2015. Information will be used for EP Exam and EPCU programs. The trust and trustee are subject to a number of requirements for which the agencies have shared jurisdiction. Collecting Trust/Trustee information will enable the agencies to efficiently monitor compliance.
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3a Name of trust	3b Trust's EIN
3c Name of trustee or custodian	3d Trustee or custodian's telephone number

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Trust Information - Issues

- Trust EIN may have been deactivated or reassigned by IRS without knowledge of trustee/service provider
- Trust may not have EIN because of omnibus reporting by institution
 - Draft instructions say to insert EIN shown on Forms 1099-R or 945 (which already appears on line 2 of Schedule R)
- Is there a link to new UBTI question?

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IRS Responds....

3. Many trusts do not have original trust ID numbers due to the IRS recycling ID numbers every three years. Can filers use a sponsor's EIN in place of getting new trust ID number?

Plan sponsors should use the trust EIN for the trust-related questions on the Form 5500-SF and the Schedules H and I. However, the EIN used on the Form 1099-R and the Form 945 may be used for this purpose if no trust EIN is available. IRS encourages trustees to get a trust EIN from the IRS. The trust's EIN landing page was posted on May 14, 2011 at IRS's website (<http://www.irs.gov/Retirement-Plans/How-to-Obtain-or-Re-Establish-an-EIN-for-a-Retirement-Plan-Trust>). If a trust's EIN was deactivated, the trustee can send a fax request (801-620-7116) to the EP Entity Control Unit in Ogden, Utah in order to re-activate it. IRS is considering issuing an FAQ to clarify this.

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Plan Document Items

- Notice says....

Compliance and Use For

- Used for pre-planning to determine Remedial amendment cycle (RAC) and remedial amendment period (RAP). The initial exam letter can be tailored to respective required adoption dates under Rev. Proc. 2007-44.
- Provide information on how many adopters of the pre-approved plans are in existence that is helpful for future EPCU projects or follow-ups we may want.

- Form section....

6a Has the plan been timely amended for all required tax law changes? Check box. ☐ Yes ☐ No ☐ N/A

6b Date the last plan amendment/restatement for the required tax law changes was adopted (MM/DD/YYYY) _____
Enter the applicable code _____ (See instructions for tax law changes and codes).

6c If the plan sponsor is an adopter of a pre-approved master and prototype (M&P) or volume submitter plan that is subject to a favorable IRS opinion or advisory letter, enter the date of that favorable letter (MM/DD/YYYY) _____ and the letter's serial number _____

6d If the plan is an individually designed plan and received a favorable determination letter from the IRS, please enter the date of the plan's last favorable determination letter (MM/DD/YYYY) _____

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Plan Document - Issues

- No explanation how to respond if late amendments cured through EPCRS or closing agreement
- Isn't clear how to respond to item asking for latest amendment/restatement date if PPA interim amendments adopted but not full restatement

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IRS Responds....

6. The Schedule R, line 22b instructions should clarify the date should only be completed if the answer to the previous question is yes.

If a plan has not been amended in a timely manner for all required tax law changes or if it is a newly established plan, IRS would like to know the date that the most recent plan amendment/restatement was adopted, as well as the applicable code if the amendment/restatement was made for certain tax law changes as listed in the instructions. **IRS plans on modifying lines 22a and 22b on the 2016 Schedule R and its related instructions.**

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§401(k) Testing

- Notice says....

- It will assist IRS agents in performing pre-audit analysis and request the appropriate information when preparing the initial IDR.
- Used for compliance reasons because of different rules applied for safe harbor plans. Failure to meet requirements results in disqualification of plan which may be corrected under Rev. Proc. 2013-12

- Form section....

4a Is the plan a section 401(k) plan? Check box. ☐ Yes ☐ No

4b If "Yes," how does the plan satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under sections 401(k)(3) and 401(m)(2)?

Check box. ☐ Design-based safe harbor method ☐ ADP/ACP test

4c If the ADP/ACP test is used, did the plan perform ADP/ACP testing for the plan year using the "current year testing method" for nonhighly compensated employees (Regulations section 1.401(k)-2(a)(2)(ii)?

Check box. ☐ Yes ☐ No

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§401(k) Testing

- **ASPPA** recommended IRS use feature codes to collect data
 - 2U = 401(k)(3) safe harbor
 - 2V = 401(m)(2) safe harbor
 - 2W = ADP current year testing
- In its OMB submission, **ASPPA** suggestion dismissed because *“IRS has found that the use of feature codes...produces less accurate responses”*

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[draft] Instructions Lack Clarity

- Instruction drafted for item 4c seems to indicate question is only about testing methodology for ADP but actual question shows both ADP/ACP
- EFAST2 not currently anticipating both boxes checked on items b and c

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IRS Responds....

- | | |
|---|---|
| <p>1. The developers are concerned that new IRS fields on the Form 5500-SF (lines 15b, 15c, 16b, 16c) and on the Schedule R (line 20a) require one box to be checked and do not allow multiple boxes to be checked. They believe the responses do not lend to binary responses from all filers. Are changes to the DER warranted?</p> | <ul style="list-style-type: none"> 5500-SF Line 15b: A designed-based 401(k) plan, as indicated in the plan document, is an alternative method of meeting the nondiscrimination requirements, and is not required to perform ADP/ACP testing, although it is likely that a plan uses both a safe harbor method for 401(k) and an ACP test for 401(m) to satisfy nondiscrimination requirements. IRS intends to publish an FAQ to accompany the 2015 forms that states a filer may select the box entitled "Design-based safe harbor method" if a plan uses the safe harbor method for the 401(k), regardless of whether this plan also uses an ACP method for the 401(m) portion. Further, IRS may add a new box entitled "Both" to the 2016 Form 5500-SF with clarification added to the 2016 instructions noting that the "Both" check box is to be used for situations in which a plan uses the 401(k) safe harbor method for the 401(k) portion and uses an ACP test for matching contributions and employee contributions for the 401(m) portion. 5500-SF Line 15c: The IRS does not believe there is a need for a plan to answer both yes and no for this question. |
|---|---|

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Coverage Testing

- Notice says....

Suggested Changes	Add to	Authorities	Compliance and Use For
<p>Check the box to indicate the method used by the plan to satisfy the coverage requirements under section 410(b):</p> <p><input type="checkbox"/> ratio percentage test <input type="checkbox"/> average benefit test</p> <p>Does the plan satisfy the coverage and nondiscrimination tests of sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules?</p> <p>Check box <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>Schedule R, Forms 5500-SF, and 5500-Sup</p>	<p>IRC §§6058(a) 401(a)(4), 410(b)</p>	<ul style="list-style-type: none"> Because of changes on Determination letter program that eliminated the option to request a determination on coverage and nondiscrimination, proposal will assist IRS agents in performing pre-audit analysis and will enable agents to request the appropriate information when preparing the initial IDR. Would provide criteria to enable Classification Specialists and EP Analysts to perform more precise return/issue selections Compliance with respect to contributions/benefits and coverage Encourages development/use of internal controls (for testing and aggregation rules) VCP available under Rev. Proc. 2013-12 for failures which should be identified by sponsor earlier



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ASPPA Suggestion

Exceptions - check the box for each statement that describes the plan or the employer, then skip to line 6.

- ☐ The employer employs only HCEs.
☐ No HCEs benefited under the plan at any time during the plan year.
☐ The plan benefits only collectively-bargained employees.
☐ The plan benefits all nonexcludable NHCEs, including leased employees and self-employed individuals.
☐ The plan is treated as satisfying the minimum coverage requirements of IRC Section 410(b)(6)(C).
☐ The plan uses the three-year testing cycle rule in Revenue Procedure 93-42.

If no Exception above applies, check all that apply below:

- ☐ The plan was permissively aggregated with another plan of the employer for coverage testing purposes.
☐ The plan was required to be disaggregated for coverage testing purposes.
☐ The plan was permissively disaggregated for coverage testing purposes.

Coverage testing satisfied using:

Ratio Percentage Test

- ☐ 401(k) feature
☐ 401(m) feature
☐ Nonelective feature
☐ ESOP feature
☐ Excludable
☐ Non-excludable

Average Benefits Test

- ☐ 401(k) feature
☐ 401(m) feature
☐ Nonelective feature
☐ ESOP feature
☐ Excludable
☐ Non-excludable

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IRS Responds....

1. The developers are concerned that new IRS fields on the Form 5500-SF (lines 15b, 15c, 16b, 16c) and on the Schedule R (line 20a) require one box to be checked and do not allow multiple boxes to be checked. They believe the responses do not lend to binary responses from all filers. Are changes to the DER warranted?

- 5500-SF Line 16a: IRS is considering publishing a FAQ for the 2015 forms that allows filers to leave line 16a blank if the plan meets exceptions to the coverage rules without choosing either box. IRS also intends to add a new "N/A" box to line 16a on the 2016 Form 5500-SF for plans that satisfy exceptions to the coverage rules.
- 5500-SF Line 16b: The IRS does not believe there is a need for a plan to answer both yes and no for this question.
(There is no Line 16c)
- Schedule R Line 20a: The IRS does not believe there is a need for a plan to answer both yes and no for this question.

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Tricky Data Collection Item

- Notice says....

Suggested Changes	Add to	Authorities	Compliance and Use For
UBIT Did the plan trust incur unrelated business taxable income? Check box <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A If Yes, Amount _____	Schedule H/I, Forms 5500-SF and 5500-Sup	IRC §§6058(a), 511 and 512	It will assist IRS for purpose of tax compliance to identify 401(a) trust on unrelated business income, which comes from an activity not related to the tax-exempt purpose of that trust.

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UBTI before UBIT

- UBTI = unrelated business taxable income
 - Income generated that is not related to the [typically, tax exempt] purpose of the entity. Debt-financing may also result in UBTI.
 - Example: for a fee, commuters use the parking facilities of a church during the week. That income to the church is unrelated to its tax-exempt purpose.
- UBIT = unrelated business income tax - the tax that may be due on account of UBTI
 - There is a \$1,000 exemption on Form 990-T

ASPPA webcast on this topic – August 2015

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UBTI - Issues

- Not well monitored in any size plan
- Not easy to monitor, especially in self directed brokerage
- Form 990-T due by April 15 for calendar year plans

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Distributions - Issues

- Instructions indicate IRS wants a carve out of distributions to active participants (e.g., hardship withdrawals, any other payments in-service)
 - Systems must be adapted to automatically generate this figure
- **ASPPA** suggested - could easily be captured by simply further bifurcating the financial information sections of Schedules H/I and Form 5500-SF

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IRS Responds....

4. The instructions need to define a withdrawal for in-service withdrawals (Schedule H) so the filers are aware of what data to report.

IRS intends to publish an FAQ to accompany the 2015 forms that provides a more detailed definition and scope description of in-service distributions. IRS may also modify the question on the 2016 Schedule H and its related instructions.

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New SF/EZ Distribution Item

20 Were required minimum distributions made to 5% owners who have attained age 70 ½ (regardless of whether or not retired), as required under section 401(a)(9)?

- Distinct from line 10f
 - Has the plan failed to provide any benefit when due under the Plan
- Not a SUP question

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IRS Explains

9. The information on Form 5500-SF, Line 20 does not appear to be on the forms or schedules.

NOTE: In reviewing the latest draft 5500 instructions we see that line 4l of the Sch H (page 41) and Sch I (page 49) have been updated to include the highlighted which seem to relate to Line 20 on the SF and not Line 4l on the H/I. Line 4l. You must check "Yes" if any benefits due under the plan were not timely paid or not paid in full. This would include minimum required distributions to 5% owners who have attained age 70 ½ whether or not retired and/or non-5% owners who have attained 70½ and have retired or separated from service, see section 401(a)(9) of the Code. Include in this amount the total of any outstanding amounts that were not paid when due in previous years that have continued to remain unpaid.

IRS added an "RMD" question ("Were required minimum distributions made to 5% owners who have attained age 70 ½ (regardless of whether or not retired) as required under section 401(a)(9)?" to the 2015 Forms 5500-SF (Line 20) and 5500-EZ for small plans, but did not ask this question for the large plans on the 2015 Form 5500. Thus, this RMD question would not appear on the 2015 Schedule R, or on Schedules H and I. Question 4l of both the Schedules H and I ("Has a plan failed to provide any benefit when due under the plan") is an existing question and is different from the IRS RMD question (although benefit payment on Line 4l could include RMD amount, but is not limited to RMD).

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Paper or E-file SUP-data?

- Items worked onto Form 5500 and Form 5500-SF for those required (or opting) to provide the information electronically
 - Count all federal tax reports *of any kind* filed by **either** the plan sponsor **or** the plan administrator (includes Forms W-2, 1099-MISC, 1099-R, 940 series, etc.)
 - Similar to rule for mandatory e-filing of Form 8955-SSA that begins for 2014 plan years
 - If count is 250 or more, **must** electronically file the data.

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More Paper Filing Issues

- Due date appears to be same as Form 5500 series
 - Paper SUP filing requires insertion of RefAckId, which is only available after related EFAST2 filing is *Accepted*.
 - Paper SUP filing requires signature of plan administrator or plan sponsor (generally, not both)
 - Difficult to make this all happen on October 15, unless you like stress!



Considerations

- New data collection and getting clients to understand the new requirements
 - some data was collected prior to the implementation of EFAST2
- Doesn't consider the current business model for plan services
- The significance of the public disclosure of this data



Form 5500 Preparation
will be interesting in 2016!

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Thank you for attending.

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