



**September 2009**

### **Modification to Filing Form 5500**

The process of filing Form 5500, “Annual Return/Report for Employee Benefit Plan” with the Employee Benefit Security Administration (EBSA) will significantly change on January 1, 2010. All employee benefit plans required to file Form 5500 will be required to file electronically through the EFAST2 system. Formerly, the vast majority of plan sponsors filed Form 5500 via paper file.

This change in processing Form 5500 will impact plan sponsors and Form 5500 preparers in many respects. For example, processing Form 5500 under the EFAST2 system will expedite identification of errors in the filing. In addition, any failure to include the accountant’s audit of the plan’s financial statements will be “flagged” immediately after filing to the EBSA. It is expected that the Department of Labor (DOL) will not hesitate to issue a letter threatening penalties unless the employer corrects the errors.

We will provide further communication on this significant change to the process of filing Form 5500 as additional guidance is provided by the DOL and the Internal Revenue Service (IRS). Currently government regulatory agencies and the private contractor which has been engaged to develop the EFAST2 system are still developing the standards for the enforcement matters.

### **Schedule SSA**

Schedule SSA was a required schedule included in the Form 5500 filing. Although it was filed with the EBSA, information was reported to the Social Security Administration to inform them that participants who separated from service from an employer had an account balance or accrued benefit in the employer’s qualified retirement plan.

Schedule SSA will not be part of the filing of Form 5500 under EFAST2. Instead, it will become “Form 8955-SSA” filed directly with the IRS. The IRS does not intend to make any significant changes to the form except to include some additional identifying information on the first page. Form 8955-SSA is currently being revised by the IRS and is not expected to be finalized until January 2010. The IRS intends to keep the bar codes on the form to allow for future scanning and will modify its regulation to communicate that this is an independent form. In addition, Form SSA will be subject to electronic filing in 2011.

If you have any questions about this information, please contact our Employee Benefit Services Group: Louis F. LiBrandi at 212-286-2600 or [lbrandi@odmd.com](mailto:lbrandi@odmd.com) or Tim Desmond at 914-381-8900 or [tdesmond@odmd.com](mailto:tdesmond@odmd.com).

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