

WHAT YOU NEED TO KNOW



## Advance Informational Copies of 2016 Form 5500 Annual Return/Report

On November 1, 2016, The U.S. Department of Labor's Employee Benefits Security Administration (EBSA), the Internal Revenue Service (IRS), and the Pension Benefit Guaranty Corporation (PBGC) released [advance informational copies of the 2016 Form 5500 annual return/report](#) and [related instructions](#).

### Changes to Note

Specifically, the instructions highlight the following modifications to the forms, schedules, and instructions:

- Filers will not be required to complete the following form sections:
  - For Form 5500 for the 2016 plan year, plan sponsors should not enter the “Preparer’s Information” at the bottom of the first page.
  - For Schedules H and I, plan sponsors should not complete questions on Lines 4o, and 6a through 6d, for the 2016 plan year.
  - Plan sponsors should not complete the questions on Schedule R, Part VII – IRS Compliance Questions for the 2016 plan year.
  - For Form 5500-SF for the 2016 plan year, plan sponsors should not enter “Preparer’s Information” at the bottom of the first page, “Part VIII-Trust Information,” and “Part IX-IRS Compliance Questions.”
- The instructions reflect updated civil monetary penalties. The maximum penalty is \$2,063 per day for a plan administrator who fails or refuses to file a complete or accurate Form 5500 report. The increased penalty is applicable for civil penalties assessed after August 1, 2016, whose associated violation occurred after November 2, 2015. Beginning in 2017, the Department of Labor (DOL) is expected to adjust the penalty amounts annually for inflation no later than January 15 of each year.

### When to File

#### Form 5500

Plans and Group Insurance Arrangements (GIAs) should file 2016 returns/reports for plan and GIA years that began in 2016. All required forms, schedules, statements, and attachments must be filed by the last day of the seventh calendar month after the end of the plan or GIA year (not to exceed 12 months) that began in 2016.

## UBA Compliance Advisor

Direct Filing Entities (DFEs) other than GIAs should file 2016 returns/reports no later than nine and a half months after the end of the DFE year that ended in 2016. A Form 5500 filed for a DFE must report information for the DFE year (not to exceed 12 months).

For a plan year of less than 12 months (short plan year), file the form and applicable schedules by the last day of the seventh calendar month after the short plan year ends or by the extended due date, if filing under an authorized extension of time. Fill in the short plan year beginning and ending dates in the space provided and check the appropriate box in Part I, line B, of the Form 5500. For purposes of this return/report, the short plan year ends on the date of the change in accounting period or upon the complete distribution of assets of the plan.

If the filing due date falls on a Saturday, Sunday, or federal holiday, the return/report may be filed on the next day that is not a Saturday, Sunday, or federal holiday. If the 2017 Form 5500 is not available before the plan or DFE filing is due, use the 2016 Form 5500 and enter the 2017 fiscal year beginning and ending dates on the line provided at the top of the form.

### **Form 5500-SF**

File the 2016 Form 5500-SF for plan years that began in 2016. The form, and any required schedules and attachments, must be filed by the last day of the seventh calendar month after the end of the plan year (not to exceed 12 months in length) that began in 2016.

For a plan year of less than 12 months (short plan year), file the form and applicable schedules by the last day of the seventh calendar month after the short plan year ends or by the extended due date, if filing under an authorized extension of time. Fill in the short plan year beginning and ending dates in the space provided and check the appropriate box in Part I, line B, of the Form 5500-SF. For purposes of this return/report, a short plan year ends on the date of the change in accounting period or upon the complete distribution of assets of the plan.

Be aware that the advance copies of the 2016 Form 5500 are for informational purposes only and cannot be used to file a 2016 Form 5500 annual return/report.

11/3/2016

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This information is general and is provided for educational purposes only. It is not intended to provide legal advice. You should not act on this information without consulting legal counsel or other knowledgeable advisors.



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