



A publication of the ASPPA Government Affairs Committee
November 23, 2009 :: No. 09-40

©2009, ASPPA All rights reserved, except permission is expressly granted to duplicate this publication for internal purposes only.

Form 5500 Update: Revisions to Instructions for 2008 Actuarial Schedules and Schedule R; Filings for Short 2009 Plan Years

By: Janice M. Wegesin, CPC, www.form5500help.com, Petoskey, MI

Supplemental instructions have been issued for the 2008 Form 5500, specifically with regard to Schedule MB, Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information (IRS Notice 1389); Schedule R, Retirement Plan Information (IRS Notice 1388), and Schedule SB, Single-employer Defined Benefit Plan Actuarial Information (IRS Notice 1391). The revisions have been incorporated into the 2008 instructions and, along with the notices, may be found at <http://www.dol.gov/ebsa/5500main.html> or <http://www.irs.gov/pub/irs-pdf/i5500.pdf>.

Revisions Apply to Actuarial Schedules Signed After December 17, 2009

Notices 1389 and 1391 specify that it is not necessary to file a revised 2008 Schedule MB or SB if the schedules are completed using the original instructions and signed by December 17, 2009 (30 days after the date the notices were posted). For multiemployer plans, if the accumulated reconciliation account reported on line 9o(3) of the 2008 Schedule MB was calculated using the originally published instructions, then the 2009 Schedule MB must include an attachment that reports the corrected accumulated reconciliation account for 2008 using these revised instructions.

Schedule SB changes affect the following lines:

- Line 2b, Actuarial Value of Assets;
- Line 6, Target Normal Cost;
- Line 15, Adjusted Funding Target Attainment Percentage;
- Line 21b, with regard to the interest rates used to measure the funding target;
- Line 25, Change in Funding Method (most plans will check "Yes" but no attachment is required);
- Line 32a, Shortfall Amortization Bases and Amortization Installments; and
- Line 38, Interest-Adjusted Excess Contributions for Current Year.

Revisions to Schedule R Instructions

Notice 1388 describes revisions to the instructions for the 2008 Schedule R; however, these changes affect only multiemployer plans with a Funding Improvement or Rehabilitation Plan. For the most part, the revisions clarify the reporting requirements as a result of Sections 204 and 205 of the Worker, Retiree, and Employer Recovery Act of 2008 (WRERA).

Short 2009 Plan Year Filings

At the ASPPA annual conference, Scott Albert (Chief, Division of Reporting Compliance/EBSA) confirmed that any plan that had a short 2009 plan year may file Form 5500 for that short plan year using the 2008 paper forms, as long as the filing sent to EBSA in Lawrence, Kansas is postmarked no later than December 31, 2009. Thereafter, all Form 5500 reports for 2009 plan years - short or otherwise - must be filed electronically using the 2009 forms and schedules and the new EFAST2 electronic filing system. (Note: See ASPPA *asap* 09-30 for exemptions from the electronic filing requirement for Form 5500-EZ paper filings)

Any defined benefit plan with a short plan year for 2009 should consider the revisions to the instructions for Schedules SB and MB, described above, in determining whether it has properly filed Form 5500 for its short plan year.

Amended and Late Filings

The current EFAST system will continue to accept paper filings for any late or amended Form 5500 reports through December 31, 2009 (postmark). Thereafter, the new EFAST2 electronic system must be used to file such reports, regardless of the filing year although there are limited exceptions for 2008 plan years.

The Voluntary Delinquent Filer Compliance (VDVC) program will continue to be available for late filers, even after the implementation of EFAST2 on January 1, 2010. You may find more information about the VDVC at http://www.dol.gov/ebsa/newsroom/0302fact_sheet.html.

Stay Tuned

The Reporting and Disclosure Subcommittee of ASPPA's Government Affairs Committee is working on issues related to the new electronic filing system, particularly with regard to the latest version of FAQ #33 (http://www.dol.gov/ebsa/faqs/faq_EFAST2.html) regarding the sharing of filing signer credentials, including PINs. Further information will be provided to members as it becomes available.