

FYI[®] Alert

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On Second Thought – No Extra Time for 5500 Forms after 2015; 5500-SUP Compliance Questions Can Wait

Legislation signed by President Obama on Friday returned the Form 5500 extended deadline to its original position — 9 ½ months after the end of the plan year. In a separate action, advance copies of the 2015 Form 5500 contain new IRS compliance questions as expected, but they are optional for 2015.

Background

The Surface Transportation and Veterans Health Care Choice Improvement Act of 2015 (Surface Transportation Act) changed the tax return filing deadlines for corporations, partnerships and tax-exempt entities. It also changed the Form 5500 extended due date and the FinCEN Report 114 (also known as FBAR). Details on these changes were explained in our *For Your Information* from [August 20, 2015](#). Employee benefit plans are required to file annual reports (Form 5500) by the end of the seventh month following the end of the plan year, with a 2 ½ month extension available. For calendar year plans, the initial due date is July 31, and for those filing the Form 5558 prior to the initial due date of July 31, the extended due date is October 15. The Surface Transportation Act increased this extension by a month.

In separate developments for annual Form 5500 filing requirements, IRS had revived certain tax-related questions on the form and had introduced a draft Form 5500-SUP, Annual Return of Employee Benefit Plan Supplemental Information, that would be used by plans that did not file electronically. IRS planned to implement the new requirements for the 2015 plan year. Our [November 21, 2014](#) *For Your Information* described the proposed changes.

Both changes drew complaints in some circles. Some practitioners were concerned that the extended 5500 deadline would be confusing, and potentially disruptive to long established plan operations. They also claimed that more time was needed to get ready for the new Form 5500 compliance questions on Form 5500-SUP.



U-Turn in Transportation Funding Act

Last week, President Obama signed the [Fixing America's Surface Transportation Act](#). In addition to providing federal highway and transportation funding for five years, it includes a repeal of the automatic 3 ½ month extension of the due date for filing Form 5500. As a result, the automatic extension due date will remain 2 ½ months after the initial due date.

Key Point: This change only unwinds the Form 5500 extension. It does not change the other filing deadlines that were modified in the earlier Surface Transportation Act.

Detour for Form 5500-SUP

Last week, advance copies of the [final 2015 Form 5500 and instructions](#) were released by the agencies. Although the new IRS questions have been included on the form, the [instructions](#) (on page 1) indicate that completion of the new IRS compliance questions is optional for 2015. Also optional is the preparer information section of the form. The instructions (on page 7) say “you are encouraged to enter” this information.

For those who opt to complete the new questions, IRS has posted some [FAQs](#) to elaborate on the instructions that should be used.

Comment: Although optional for this year, plan administrators should start evaluating the best ways to gather the new information needed for the compliance questions, and should work with their third-party administrators to ensure any necessary reports can be generated.

In Closing

All in all, it's back to the status quo. No new questions required to be answered for 2015; no new filing deadline for 2016.

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