

## **Paperwork Reduction Act Statement**

In accordance with the requirements of the Paperwork Reduction Act of 1995 (PRA) (44 U.S.C. 3506(c)(2)), the July 2006 Proposal solicited comments on the information collections included in the proposed revision of the Form 5500 Annual Return/Report pursuant to Part 1 of Subtitle B of Title I and Title IV of ERISA and the Internal Revenue Code. The Department also submitted an information collection request (ICR) to OMB in accordance with 44 U.S.C. 3507(d), contemporaneously with publication of the July 2006 Proposal, for OMB's review of the Department's information collections previously approved under OMB Control No. 1210-0110.<sup>1</sup> Public comment on the information collections contained in the Supplemental Notice was also solicited in connection with its publication in December, 2006. Although no public comments were received that specifically addressed to the paperwork burden analysis of the information collections, the comments that were submitted in response to the July 2006 Proposal and the Supplemental Notice, which are described earlier in this preamble, contained information

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<sup>1</sup> On August 29, 2006, OMB issued a notice indicating that it would continue its approval of the information collections approved under Control No. 1210-0110 as currently in effect, but would not approve the Department's request for approval of revisions to the ICR until after consideration of public comment on the July 2006 Proposal and promulgation of a final rule, describing any changes.

relevant to the costs and administrative burdens attendant to the proposals. The Agencies took into account such public comments in connection with making changes to the proposals, analyzing the economic impact of the proposals, and developing the revised paperwork burden analysis summarized below.

In connection with the publication of this Notice, the Department and the PBGC are submitting ICRs to OMB for its review and approval of the information collections contained in the Form 5500 Annual Return/Report, as herein revised, and the new Short Form 5500. The IRS is not submitting an ICR to OMB at this time, but will do so in advance of release of the Form 5500 Annual Return/Report and the Short Form 5500 for public use as agreed with OMB. The public is advised that an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. A copy of the ICR for an Agency may be obtained by contacting the appropriate PRA addressee shown below.

PRA Addressees: Department of Labor: Gerald B. Lindrew, Office of Policy and Research, U.S. Department of Labor, Employee Benefits Security Administration, 200 Constitution Avenue, N.W., Room N-5718, Washington, DC 20210. Telephone: (202) 693-8410; Fax: (202) 219-4745. Internal Revenue Service: **[ADD Addressee Contact Information]**. Pension Benefit Guaranty Corporation: Disclosure Division of the Office of the

General Counsel, Pension Benefit Guaranty Corporation, 1200 K Street, NW, 11<sup>th</sup> Floor, Washington, DC 20005-4026. Telephone: (202) 326-4040 (TTY and TDD users may call the Federal relay service toll-free at 1-800-877-8339 and asked to be connected to (202) 326-4040). Fax: (202) 326-4042. Except as otherwise indicated, these are not toll-free numbers.

The following is a summary of the information collection and the Agencies' estimates of the burden it imposes [for plan year 2007](#):

Type of Review: Revision of a currently approved collection.

Agencies: Employee Benefits Security Administration (OMB No. 1210-0110); Internal Revenue Service (OMB No. 1545-0710); Pension Benefit Guaranty Corporation (OMB No. 1212-0057).

Title: Form 5500 Series.

Affected Public: Business or other for-profit; Not-for-profit institutions.

Form Number: DOL/IRS/PBGC Form 5500, DOL/IRS/PBGC Form 5500-SF, and Schedules.

Total Respondents: 780,000.

Total Annual Responses: 780,000.

Frequency of Response: Annually.

Estimated Total Annual Burden Hours: [8541.13 million,000](#) (see below for break-out of annual burden hours by Agency).

Total Annual Burden Cost (Operating and Maintenance): [\\$278333](#) million (see below for break-out of total annual burden cost by Agency).

The Agencies' burden estimation methodology excludes certain activities from the calculation of "burden." If the activity is performed for any reason other than compliance with the applicable federal tax administration system or the Title I annual reporting requirements, it is not counted as part of the paperwork burden. For example, most businesses or financial entities maintain, in the ordinary course of business, detailed accounts of assets and liabilities, and income and expenses for the purposes of operating the business or entity. These recordkeeping activities were not included in the calculation of burden because prudent business or financial entities collect and maintain such information for ordinary and customary business reasons unrelated to annual return/reporting under ERISA. This analysis accounts only for time necessary for gathering and processing information associated with the annual return reporting, including learning about changes in the reporting requirements.<sup>2</sup> In addition, an activity is counted as a burden only once if performed for both Code and Title I annual return/reporting purposes. The Agencies, therefore, have included in their PRA calculations a burden for reading the instructions, but no additional recordkeeping burden attributable to the Form 5500 Annual Return/Report or the Short Form 5500.

## **Paperwork and Respondent Burden**

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<sup>2</sup> The Agencies have designed the instruction package for the 5500 Forms so that filers generally will be able to complete the Form 5500 Annual Return/Report or the Short Form 5500 by reading the instructions without needing to refer to the statutes or regulations themselves.

Estimated time needed to complete the forms listed below reflects the combined requirements of the IRS, the Department, and the PBGC. The time needed by a particular plan will vary depending on individual circumstances. The estimated average times [are shown in Table 1 below](#).

[Table 1: Burden by Schedule and Year](#)

<a href="#">Plan Year 2007</a>	<a href="#">Pension</a>		<a href="#">Welfare</a>	
	<a href="#">Large</a>	<a href="#">Small</a>	<a href="#">Large</a>	<a href="#">Small</a>
<a href="#">Form 5500</a>	<a href="#">1 hr., 43 min.</a>	<a href="#">1 hr., 17 min.</a>	<a href="#">1 hr., 45 min.</a>	<a href="#">1 hr., 14 min.</a>
<a href="#">Sch A</a>	<a href="#">2 hr., 41 min.</a>	<a href="#">2 hr., 44 min.</a>	<a href="#">3 hr., 30 min.</a>	<a href="#">2 hr., 36 min.</a>
<a href="#">Sch B</a>	<a href="#">7 hr., 56 min.</a>	<a href="#">7 hr., 55 min.</a>		
<a href="#">Sch C</a>	<a href="#">2 hr., 22 min.</a>		<a href="#">3 hr., 8 min.</a>	
<a href="#">Sch D</a>	<a href="#">1 hr., 39 min.</a>	<a href="#">20 min.</a>	<a href="#">1 hr., 52 min.</a>	<a href="#">20 min.</a>
<a href="#">Sch G</a>	<a href="#">11 hr., 29 min.</a>		<a href="#">11 hr.</a>	
<a href="#">Sch H</a>	<a href="#">7 hr., 12 min.</a>		<a href="#">8 hr.</a>	
<a href="#">Sch I</a>		<a href="#">1 hr., 57 min.</a>		<a href="#">1 hr., 48 min.</a>
<a href="#">Sch R</a>	<a href="#">1 hr., 36 min.</a>	<a href="#">1 hr., 3 min.</a>		
<a href="#">Simplified Filing Option for Certain Small Plans</a>		<a href="#">3 hr., 4 min.</a>		<a href="#">3 hr., 4 min.</a>

<a href="#">Plan Year 2008</a>	<a href="#">Pension</a>		<a href="#">Welfare</a>	
	<a href="#">Large</a>	<a href="#">Small</a>	<a href="#">Large</a>	<a href="#">Small</a>
<a href="#">Form 5500</a>	<a href="#">1 hr., 43 min.</a>	<a href="#">1 hr., 17 min.</a>	<a href="#">1 hr., 45 min.</a>	<a href="#">1 hr., 14 min.</a>
<a href="#">Sch A</a>	<a href="#">2 hr., 41 min.</a>	<a href="#">2 hr., 44 min.</a>	<a href="#">3 hr., 30 min.</a>	<a href="#">2 hr., 36 min.</a>
<a href="#">Sch MB</a>	<a href="#">9 hr., 12 min.</a>	<a href="#">4 hr., 29 min.</a>		
<a href="#">Sch SB</a>	<a href="#">9 hr., 8 min.</a>	<a href="#">9 hr., 19 min.</a>		
<a href="#">Sch C</a>	<a href="#">2 hr., 22 min.</a>		<a href="#">3 hr., 8 min.</a>	
<a href="#">Sch D</a>	<a href="#">1 hr., 39 min.</a>	<a href="#">20 min.</a>	<a href="#">1 hr., 52 min.</a>	<a href="#">20 min.</a>
<a href="#">Sch G</a>	<a href="#">11 hr., 29 min.</a>		<a href="#">11 hr.</a>	
<a href="#">Sch H</a>	<a href="#">7 hr., 12 min.</a>		<a href="#">8 hr.</a>	
<a href="#">Sch I</a>		<a href="#">1 hr., 57 min.</a>		<a href="#">1 hr., 48 min.</a>
<a href="#">Sch R</a>	<a href="#">1 hr., 55 min.</a>	<a href="#">1 hr., 10 min.</a>		
<a href="#">Simplified Filing Option for Certain Small Plans</a>		<a href="#">2 hr., 34 min.</a>		<a href="#">2 hr., 32 min.</a>

<a href="#">Plan Year 2009</a>	Pension		Welfare	
	Large	Small	Large	Small
Form 5500	1 hr., 54 min.	1 hr., 19 min.	1 hr., 45 min.	1 hr., 14 min.
Sch A	2 hr., 52 min.	2 hr., 51 min.	3 hr., 39 min.	2 hr., 43 min.
Sch MB	7 hr., 52 min.	4 hr., 14 min.		
Sch SB	6 hr., 38 min.	6 hr., 49 min.		
Sch C	3 hr., 4 min.		3 hr., 38 min.	
Sch D	1 hr., 39 min.	20 min.	1 hr., 52 min.	20 min.
Sch G	11 hr., 29 min.		11 hr.	
Sch H	7 hr., 42 min.		8 hr., 35 min.	
Sch I		2 hr., 5 min.		1 hr., 55 min.
Sch R	1 hr., 43 min.	1 hr., 5 min.		
Short Form		2 hr., 32 min.		2 hr., 32 min.

The aggregate hour burden for the Form 5500 Annual Return/Report (including schedules and short form) is estimated to be [1.13 million for plan year 2007, 1.12 million for plan year 2008, and 854,000 hours for plan year 2009 annually](#). The hour burden reflects [annual](#) filing activities carried out directly by filers. The cost burden is estimated to be [\\$333 million for plan year 2007, \\$329 million for plan year 2008, and \\$278 million annually for plan year 2009](#). The cost burden reflects filing services purchased [annually](#) by filers. Presented below is a chart showing the total hour and cost burden of the revised Form 5500 Annual Return/Report and the new Short Form 5500, separately allocated across the Department and the IRS. There is no separate PBGC entry on the chart because, as explained below, its share of the paperwork burden is very small relative to that of the IRS and the Department.

[Table 2: Agency burdens by Year](#)

Agency Plan Year 2007		Pension Plans		Welfare Plans		Total		Total
		Large	Small	Large	Small	Large	Small	
DOL	Hours	219,000	213,000	102,000	3,000	321,000	216,000	536,000
	\$MM	\$42	\$87	\$65	\$1.3	\$107	\$88	\$195
IRS	Hours	123,000	225,000	13,000	2,000	136,000	227,000	363,000
	\$MM	\$25	\$85	\$1.7	\$0.7	\$27	\$86	\$112
SSA	Hours	127,000	101,000	0	0	127,000	101,000	228,000
	\$MM	\$8.5	\$15	0	0	\$8.5	\$15	\$24

Agency Plan Year 2008		Pension Plans		Welfare Plans		Total		Total
		Large	Small	Large	Small	Large	Small	
DOL	Hours	219,000	197,000	102,000	3,000	321,000	200,000	521,000
	\$MM	\$42	\$81	\$65	\$1.3	\$107	\$83	\$190
IRS	Hours	130,000	220,000	13,000	2,000	143,000	222,000	365,000
	\$MM	\$28	\$84	\$1.7	\$0.6	\$29	\$85	\$114
SSA	Hours	127,000	101,000	0	0	127,000	101,000	228,000
	\$MM	\$8.5	\$15	0	0	\$8.5	\$15	\$24

Agency Plan Year 2009 <sup>3</sup>		Pension Plans		Welfare Plans		Total		Total
		Large	Small	Large	Small	Large	Small	
DOL	Hours	258,000	164,000	105,000	2,000	363,000	166,000	529,000
	\$MM	\$49	\$61	\$67	\$0.8	\$117	\$62	\$178
IRS	Hours	143,000	164,000	14,000	2,000	158,000	166,000	323,000
	\$MM	\$26	\$69	\$2	\$0.6	\$28	\$70	\$98

Agency		Pension Plans		Welfare Plans		Total		Total
		Large	Small	Large	Small	Large	Small	
DOL	Hours 000s	258	164	105	2	363	166	529
	\$MM	\$49	\$61	\$67	\$0.8	\$117	\$62	\$178
IRS	Hours 000s	143	164	14	2	158	166	323
	\$MM	\$26	\$69	\$2	\$0.6	\$28	\$70	\$98

The paperwork burden allocated to the PBGC includes a portion of the general instructions, basic plan identification information, a portion of

<sup>3</sup> Due to the removal of Schedules E and Schedule SSA, no burden associated with SSA for plan year 2009.

Schedules MB and SB, and a portion of Schedule R. The PBGC's Estimated Share of Total Annual Burden is:

- -1,800 hours and \$1.6 million for plan year 2007,
- 2,000 hours and 1.8 million for plan year 2008,
- and 1,200 hours and \$1.3 million per year for plan year 2009.



**OMB Control Numbers**

<b>Agency</b>	<b>OMB Number</b>
Employee Benefits Security Administration	1210-0110
	1210-0089
Internal Revenue Service	1545-1610
Pension Benefit Guaranty Corporation	1212-0057

**Paperwork Reduction Act Notice**

We ask for the information on this form to carry out the law as specified in ERISA and in Code sections 6058(a), and 6059(a). You are required to give us the information. We need it to determine whether the plan is operating according to the law.

Your are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books and records relating to a form or its instructions must be retained as long as their contents may become material in the administration of the Internal Revenue Code or are required to be maintained pursuant to Title I or IV of ERISA. The Form 5500 return/reports are open to public inspection and are subject to publication on the Internet.

The time needed to complete and file the forms listed below reflects the combined requirements of the Internal Revenue Service, Department of Labor, and Pension Benefit Guaranty Corporation. These times will vary depending on individual circumstances. The estimated average times are:

	<b>Pension Plans</b>		<b>Welfare Plans</b>	
	Large	Small	Large	Small
Form 5500	1 hr., 54 min.	1 hr., 19 min.	1 hr., 45 min.	1 hr., 14 min.
Schedule A		2 hr., 51 min.	3 hr., 39 min.	
Schedule SB	2 hr., 52 min.	6 hr., 49 min.	N/A	2 hr., 43 min.
Schedule MB		4 hr., 14 min.	N/A	
Schedule C	6 hr., 38 min.	N/A	3 hr., 38 min.	N/A
Schedule D		20 min.	1 hr., 52 min.	N/A
Schedule G	7 hr., 52 min.	N/A	11 hr.	N/A
Schedule H		N/A	8 hr., 35 min.	20 min.
Schedule I	3 hr., 4 min.	2 hr., 5 min.	N/A	N/A
Schedule R	1 hr., 39 min.	1 hr., 5 min.	N/A	N/A
	11 hr., 29 min.			1 hr., 55 min
	7 hr., 42 min.			N/A
	N/A			
	1 hr., 43 min.			

If you have comments concerning the accuracy of these time estimates or suggestions for making these forms simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave., NW, IR-6406, Washington, DC 20224. **DO**

**NOT** send any of these forms or schedules to this address. **The forms and schedules must be filed electronically. See How to File - Electronic Filing Requirement** on page xx

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The time needed to complete and file the form 5500-SF and the Schedules SB/MB reflects the combined requirements of the Internal Revenue Service, Department of Labor, and Pension Benefit Guaranty Corporation. These times will vary depending on individual circumstances. The estimated average times are:

	Pension Plans	Welfare Plans
Form 5500-SF	2 hr., 32 min.	2 hr., 32 min.
Schedule SB	6 hr., 49 min.	N/A
Schedule MB	3 hr., 20 min.	N/A

If you have comments concerning the accuracy of these time estimates or suggestions for making these forms simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave., NW, IR-6406, Washington, DC 20224. **DO NOT** send any of these forms or schedules to this address. **The forms and schedules must be filed electronically. See How to File - Electronic Filing Requirement** on page xx