

Justification for No Material or Nonsubstantive Change to Currently-Approved Collection

AGENCY: Pension Benefit Guaranty Corporation (PBGC)

TITLE: Payment of Premiums (29 CFR Part 4007) and PBGC forms and instructions thereunder (PBGC paper 2010 Comprehensive Premium Filing form (Form 1-C), and 2010 PBGC Estimated Flat-Rate Premium form (Form 1-ES), and related instructions; and electronic premium filing forms and instructions)

STATUS: OMB control number 1212-0009; expires April 30, 2011

CONTACT: Catherine B. Klion (326-4223 ext. 3041) or James J. Bloch (326-4223 ext. 3530)

PBGC is submitting information collection documents that show the changes PBGC is making to its paper forms and instructions for premium payments for 2010. Changes to PBGC's electronic filing application, "My Pension Administration Account" ("My PAA") will track the paper changes. Under 29 CFR § 4007.3, premium information must be filed electronically except to the extent PBGC grants an exemption for good cause in appropriate circumstances.

PBGC requests that OMB approve these changes so that it can make available the 2010 plan-year forms and instructions in December 2009. Large-plan filers (i.e., plans that were required to pay premiums for 500 or more participants for the prior plan year) are required to pay PBGC's flat-rate premium early in the premium payment year. Because the participant count often is not available until late in the premium payment year, PBGC permits filers to make estimated flat-rate premium filings. Large-plan, calendar-year 2010 filers will owe flat-rate premiums by February 28, 2010, and most of these filers will make estimated flat-rate premium filings. Form 1-ES is used for this purpose.

All plans are required to make a Comprehensive premium filing (Form 1-C). Form 1-C is used to report:

- The flat-rate premium and related data (all plans),
- The variable-rate premium and related data (single-employer plans), and
- Additional data such as identifying information and miscellaneous plan-related or filing-related data (all plans).

For large plans, the Comprehensive premium filing also serves to reconcile an estimated flat-rate premium paid earlier in the year.

In 2009, instructions for the Comprehensive premium filing and for the Estimated Flat-rate premium filing for large plans were provided in separate documents. Beginning with 2010, the instructions for the two filings are now contained in one document—the 2010 Premium Payment Instructions. The Comprehensive and Estimated filing instructions are separated out in the new booklet, but the one-booklet format allows PBGC to combine redundant information that previously was in both booklets, and to make information readily available to Estimated Flat-rate filers that was previously only in the Comprehensive instructions and PBGC's regulations.

The filing instructions and the 2010 Form 1-ES and Form 1-C are almost the same as the 2009 instructions and Form 1-ES and Form 1-C. (Note that the Form 1-ES and Form 1-C are shown as illustrative forms in the Premium Payment instructions booklet.)

Below is a list of the nonmaterial changes from 2009 that PBGC is making to this information collection. The changes to the Estimated Flat-rate Filings section include several that were announced in PBGC's final rule on Variable-Rate Premiums, 73 FR 15065 (March 21, 2008), but that were not implemented because of delays in development of the premium-processing systems, as noted in PBGC's supporting statement submitted in connection with the 2009 premium forms.

Estimated Flat-rate Filings section

- In the case of a short plan year, the reporting requirements now conform with reporting requirements for the Comprehensive Filing.
- Language relating to a certain penalty waiver in the 2009 booklet was adapted and added as third safe harbor to the two existing safe harbors in the "Late Payment Charges" section.
- The format of the Estimated Filing form now is consistent with the format of the Comprehensive Filing form.
- The plan administrator's country (if not U.S.) and e-mail address now is required to be reported.

Comprehensive Filings section

The Comprehensive filing instructions now include additional information concerning the alternative premium funding target election (which relates to how unfunded vested benefits are calculated):

- Based on a practitioner's suggestion, there is now information in more places in the instructions concerning what to do if the filer elected to use the alternative premium funding target for the 2008 or 2009 plan year.
- The instructions now state explicitly that a filer that wants to elect the alternative premium funding target for plan year 2010 can do so as part of an amended filing only if the comprehensive filing was made before the due date and the amended filing was made on or before the due date.

Comprehensive Filings and Estimated Flat-rate Filings

- Applicable dates have been updated for 2010, and minor editorial and formatting changes have been made.