

PILOT PROGRAM FOR DELINQUENT FORM 5500EZ FILERS  
PAPERWORK REDUCTION ACT

Employee Plans is in the process of creating a temporary, pilot program which would allow delinquent filers of Form 5500-EZ (and some delinquent Form 5500 filers) to submit their delinquent returns without penalty. The delinquent filers will be required to submit a "Transmittal Schedule" in addition to filing the delinquent form. A draft of the Transmittal Schedule is included for your information.

As currently contemplated, the Transmittal Schedule would be attached to the front of each delinquent return that is filed and would allow us to track the number of returns submitted under the program, and provide a basis for determining whether or not the program would become permanent. The Transmittal Schedule should take no more than five minutes to fill out and would be attached to every delinquent return. We cannot be certain how many delinquent returns will be filed under this program, but we anticipate receiving approximately 2000 returns.

The purpose of the Transmittal Schedule is to allow us to keep track of the number of delinquent returns being filed. Because the delinquent returns go directly into normal return processing, we believe we need something else to determine the number of delinquent returns being filed under this program. The number of returns filed will help determine if the pilot program is successful and whether it will be continued as a permanent program. There is no intention to use these Transmittal Schedules as a basis for an exam or any other follow-up.