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# 2015 Instructions for Form 5500-SUP



Department of the Treasury  
Internal Revenue Service

## Annual Return of Employee Benefit Plan Supplemental Information

Section references are to the Internal Revenue Code unless otherwise noted.

References to ERISA are to the Employee Retirement Income Security Act.

### General Instructions

#### Future Developments

For the latest information about developments related to Form 5500-SUP and its instructions, such as legislation enacted after they were published, go to [www.irs.gov/form5500sup](http://www.irs.gov/form5500sup).

#### Purpose of Form

Form 5500-SUP is a paper-only form filed with the IRS that is used by the sponsors and administrators of retirement plans to satisfy the reporting requirements of section 6058. Form 5500-SUP should only be used if certain IRS compliance questions are not answered electronically on the Form 5500, Annual Return/Report of Employee Benefit Plan, or the Form 5500-SF, Short Form Annual Return/Report of Small Employee Benefit Plan.

**About the Form 5500-SUP.** In general, the administrator or sponsor of a retirement plan must annually file information about the plan in order to satisfy the reporting requirements of section 6058 of the Code and sections 104 and 4065 of ERISA. The Internal Revenue Service (IRS), Department of Labor (DOL), and the Pension Benefit Guaranty Corporation (PBGC) have consolidated certain returns and report forms to reduce the filing burden of plan administrators and sponsors. Plan administrators and sponsors who comply with the instructions for the Form 5500 (or the 5500-SF, when applicable) will generally satisfy the annual reporting requirements for the IRS and DOL. Both Form 5500 and Form 5500-SF (including the schedules) must be filed electronically under the computerized ERISA Filing Acceptance System (EFAST2). This mandate does not apply to any questions on the forms that request information solely for purposes of satisfying the reporting requirements of section 6058 (IRS compliance questions). Under Treasury regulations only filers (plan administrators or employers who maintain the plans) who are required to file at least 250 returns of any type during the

calendar year that includes the first day of the plan year are required to answer these IRS compliance questions electronically. See Regulations section 301.6058-2 for more information. Thus, to the extent the 2015 Form 5500 and the 2015 Form 5500-SF include questions that are IRS compliance questions and the filer files fewer than 250 returns in that calendar year, the filer may elect to answer these questions electronically under EFAST2 or they may file the paper Form 5500-SUP with the IRS.

#### Who Must File Form 5500-SUP

You must file Form 5500-SUP for a retirement benefit plan, if all three conditions below are met.

1. The plan is required to file either Form 5500 or Form 5500-SF.
2. The plan administrator and the plan sponsor are required to file a total of fewer than 250 returns of any type, including information returns (for example, Forms W-2 and Forms 1099), income tax returns, employment tax returns, and excise tax returns, during the calendar year that includes the first day of the plan year.
3. The IRS compliance questions are not answered on the Form 5500 or Form 5500-SF filed electronically through the EFAST2.

**Example.** Assume a Form 5500 is required to be filed for a plan that is on a calendar year and the plan administrator and the plan sponsor are required to file a total of 152 returns in 2015 (including Forms 1099-R, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.; and Form 945, Annual Return of Withheld Federal Income Tax, etc.). In this case, the IRS compliance questions on the 2015 Form 5500 are not required to be answered electronically through the EFAST2, but if they are not, they must be answered by filing the paper Form 5500-SUP with the IRS.

#### Who Does Not Have To File Form 5500-SUP

If you answer the IRS compliance questions on either the Form 5500 or the Form 5500-SF, you do not need to file Form 5500-SUP.

**Example.** Assume the same facts as the example above, but a plan administrator voluntarily answers the IRS compliance questions on Form 5500. In this case, the plan does not have to file Form 5500-SUP.

Also, see *Short Plan Years* in these instructions for information regarding the filing requirements for certain short year filers.

#### When To File

The 2015 Form 5500-SUP must be filed by the last day of the 7th calendar month after the end of the plan year that began in 2015 (not to exceed 12 months in length). Any extension of time to file either the 2015 Form 5500 or the 2015 Form 5500-SF will be treated as an extension of time to file the 2015 Form 5500-SUP.

**Note.** If the filing due date falls on a Saturday, Sunday, or legal holiday, the return may be filed on the next day that is not a Saturday, Sunday, or legal holiday.

#### Short Plan Years

Form 5500-SUP is not required to be filed for a 2015 plan year if the deadline for filing the form (excluding extensions) is before January 1, 2016. See Regulations section 301.6058-2(f) for more information. Accordingly, some short plan year filers are not required to file the 2015 Form 5500-SUP (nor are they required to answer the IRS compliance questions) even if they would otherwise be required to do so. For example, a 2015 Form 5500-SUP is not required to be filed for a calendar year plan with a short 2015 plan year that ends May 31, 2015 since the date for filing the 2015 Form 5500-SUP (December 31, 2015) is before January 1, 2016.

#### Where To File

File the Form 5500-SUP at the following address.

Department of the Treasury  
Internal Revenue Service  
Ogden, UT 84201-0020

Private delivery services. You can use certain private delivery services designated by the IRS to meet the "timely mailing as timely filing/paying" rule for tax returns and payments. The private

Form

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delivery services include only the following.

- Federal Express (FedEx): FedEx Priority Overnight, FedEx Standard Overnight, FedEx 2Day, FedEx International Priority, and FedEx International First.
- United Parcel Service (UPS): UPS Next Day Air, UPS Next Day Air Saver, UPS 2nd Day Air, UPS 2nd Day Air A.M., UPS Worldwide Express Plus, and UPS Worldwide Express.

Private delivery services should use the following address.

Internal Revenue Service  
1973 Rulon White Blvd.  
Ogden, UT 84404

## Who Must Sign

The plan administrator or plan sponsor/ employer must sign and date the paper Form 5500-SUP for the 2015 filing.

## Penalties

If a filer fails to file the Form 5500-SUP when required to do so, the filer is deemed to have failed to file the return. Section 6652(e) imposes a penalty of \$25 a day (up to \$15,000) for not filing returns in connection with employee retirement benefit plans by the required due date.

## Specific Instructions

### Part I – Annual Return/ Report Identification Information

**Lines A.** This information must be the same as reported in Part I, B of the Form 5500 or Form 5500-SF. See the 2015 Instructions for Form 5500 or 5500-SF.

**Lines B.** Enter the EFAST2 Acknowledgement ID (30 characters). The Acknowledgement ID is a number created by the EFAST2 system to acknowledge receipt of a filing that contains a unique Filing ID and filing data. The filing author received this ID when the Form 5500 or Form 5500-SF filing was submitted and processed through the EFAST2.

**Lines C.** This information must be the same as reported in Part I, D of the Form 5500 or Part I, C of the Form 5500-SF. See the 2015 Instructions for Form 5500 or Form 5500-SF. Note that an extension of Form 5500 or Form 5500-SF will be treated as an extension of the Form 5500-SUP. You are not required to file a separate Form 5558 for extension of time to file this form.

### Part II – Basic Plan Information

**Lines 1a, 1b, and 1c.** Enter the formal name of the plan, the three-digit plan number (PN), and the date the plan first became effective. This information must be the same as reported in Part II, lines 1a, 1b, and 1c of the Form 5500, or Form 5500-SF. See the 2015 Instructions for Form 5500 or Form 5500-SF.

**Lines 2a, 2b, 2c, and 2d.** Enter the plan sponsor's name, address, the nine-digit employer identification number (EIN), the plan sponsor's telephone number, and the six-digit business code. This information must be the same as reported in Part II, lines 2a, 2b, 2c, and 2d of the Form 5500 or Form 5500-SF. See the 2015 Instructions for Form 5500 or Form 5500-SF.

**Line 3a.** Enter the name of trust. If a plan uses more than one trust or custodial account for its fund, you should enter the primary trust or custodial account in which the greatest dollar amount or largest percentage of the plan assets as of the end of the plan year is held on this line. For example, if a plan uses three different trusts, X, Y, and Z, with the percentages of plan assets, 35%, 45%, and 20%, respectively, trust Y that held the 45% of plan assets would be entered in line 4a.

**Line 3b.** Enter the trust's employer identification number (EIN) assigned to the employee benefit trust or custodial account, if one has been issued to the trust. The trust EIN should be used for transactions conducted for the trust. If you do not have a trust EIN, enter the EIN you would use on Form 1099-R, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc., to report distributions from employee benefit plans and on Form 945, Annual Return of Withheld Federal Income Tax, to report withheld amounts of income tax from those payments.

Do not use a social security number in lieu of an EIN. Form 5500 and its attachments are open to public inspection, and the contents are public information and are subject to publication on the Internet. Because of privacy concerns, the inclusion of a social security number or any portion thereof may result in the rejection of the filing.

A trust EIN can be obtained from the IRS by applying for one on Form SS-4, Application for Employer Identification Number. See the instructions for line 2b (Form 5500) for applying for an EIN. Also see the IRS EIN application link page for further information.

**Lines 3c and 3d.** Enter the name of the trustee or custodian and the trustee's or custodian's telephone number.

### Part III – Supplemental Information

**Line 4a.** Check "Yes" if the plan includes a cash or deferred arrangement under which a covered employee may elect to have the employer either contribute an amount to the plan's trust on behalf of the employee or to pay the employee directly in cash or some other taxable benefit. A 401(k) plan is a defined contribution plan as defined under section 401(k) where an employee can make contributions from his or her paycheck either before or after tax, depending on the options offered in the plan. The contributions go into a 401(k) account, with the employee often choosing the investments based on options provided under the plan. In some plans, the employer also makes contributions such as matching the employee's contributions up to a certain percentage. SIMPLE and safe harbor 401(k) plans have mandatory employer contribution requirements.

**Line 4b.** If line 4a is "Yes," check the applicable testing method being used to satisfy the nondiscrimination requirements of section 401(k) and (m). A safe harbor 401(k) plan is similar to a traditional 401(k) plan, but, among other things, it must provide for employer contributions that are fully vested when made. These contributions may be employer matching contributions, limited to employees who defer, or employer contributions made on behalf of all eligible employees, regardless of whether they make elective deferrals. The safe harbor 401(k) plan is not subject to the complex annual nondiscrimination tests that apply to traditional 401(k) plans. Check "Design-based safe harbor method" if this is a safe harbor 401(k) plan, including a SIMPLE 401(k) plan under sections 401(k)(11) and 401(m)(10), a safe harbor 401(k) plan under sections 401(k)(12) and 401(m)(11), and a safe harbor plan using automatic contribution arrangements under sections 401(k)(13) and 401(m)(12). If the plan, by its terms, does not satisfy the safe harbor method, it must satisfy the regular nondiscrimination actual deferral percentage (ADP)/actual contribution percentage (ACP) test.

**Line 4c.** If the ADP/ACP test was used to satisfy nondiscrimination requirements under section 401(k)(3), check "Yes" if an election was made to use the current year testing method under which the ADP test is performed by comparing the current plan year's ADP for highly compensated employees (HCEs) with the current plan year's (rather than the prior plan year) ADP for nonhighly compensated employees (NHCEs). Note that the plan must specify whether the prior year or the current year testing method will be used in

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the plan document. If the employer has elected to use the current year testing method, switching to prior year testing can only be done if the plan meets the requirements for changing to prior year testing set forth in Regulations section 1.401(k)-2(c)(1). Generally, a plan can switch from current year testing to prior year testing only if 1) the employer has been involved in a merger, acquisition or similar transaction, and as a result, plans using different testing methods are maintained; and 2) the plan has used current year testing for the past 5 years. A plan can be amended anytime to use the current year testing method for a future plan year.

**Line 5a.** Check the applicable testing method below used to satisfy the minimum coverage requirements under section 410(b). A plan satisfies the "ratio percentage test" of section 410(b)(1)(B) with respect to employees if the percentage of the employer's NHCEs who benefit under the plan divided by the percentage of HCEs who benefit under the plan is at least 70% (percentages are calculated to the nearest hundredth). For example, Employer Y has 100 employees, and 30 of these employees are HCEs, and 70 are NHCEs. Employer Y maintains a pension Plan A that benefits 15 of the 30 HCEs (that is 50% of HCEs) and 25 of the 70 NHCEs (that is 35.71% of all NHCEs). The ratio percentage of 71.42% (35.71% / 50%) is greater than 70%. Thus, Plan A satisfies the minimum coverage requirement as required under section 410(b)(1). The average benefit test is a two-part test. First, the plan must satisfy the nondiscriminatory classification test. Second, the plan must satisfy the average benefit percentage test. See Regulations sections 1.410(b)-4 and 1.410(b)-5 for more information.

**Note.** (1) If this is not a tax-qualified plan, you may skip questions 5a and 5b. (2) Under a special rule in Regulations section 1.410(b)-2(b)(5), if the employer has no NHCEs, the plan will be deemed to satisfy the coverage tests of section 410(b). Also, under Regulations section 1.410(b)-2(b)(6), if no HCEs benefit under the plan, the minimum coverage requirements under section 410(b) will be deemed satisfied. Also, under Regulations section 1.410(b)-2(b)(7), the minimum coverage requirements under section 410(b) is also satisfied if the plan benefits solely collectively bargained employees. See Regulations sections 1.410(b)-2(b)(5), (6) and 1.410(b)-8(b).

**Line 5b.** Check "Yes" if this plan was permissively aggregated with another plan to satisfy the requirements under sections 410(b) and 401(a)(4). Generally, each single plan must separately satisfy the coverage and nondiscrimination

requirements. However, an employer may designate two or more separate plans as a single plan for purposes of applying the ratio percentage test of Regulations section 1.410(b)-2(b)(2) or the nondiscretionary classification test of Regulations section 1.401(b)-4. Two or more plans that are permissively aggregated and treated as a single plan for purposes of the minimum coverage test of section 410(b) must also be treated as a single plan for purpose of the nondiscrimination test under section 401(a)(4). See Regulations sections 1.410(b)-7 and 1.401(a)(4)-(9) for more information.

**Line 6a.** Check "Yes" if a plan has timely adopted the amendments for all required tax law changes. Check "N/A" if it is a newly established plan. In order to be a qualified plan and to retain tax advantages, a pension plan must be timely amended for all required tax law changes and operate in accordance with the plan document. The IRS generally establishes a deadline by which plan amendments that reflect tax law changes must be adopted. See *Rev. Proc. 2007-44, 2007-28 I.R.B. 54*, for more information.

**Line 6b.** Enter the date of the last plan amendment or restatement for the required law changes and enter the applicable Code indicating the law changes below.

Tax Law	Code
Pension Protection Act of 2006 (PPA 06)	J
Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA)	M
GATT, USERRA, SBJPA, and TRA (GUST)	K

**Line 6c.** If a plan sponsor or an employer adopted a pre-approved plan that includes a master and prototype plan (M&P), or a volume submitter plan, enter the date of opinion or advisory letter issued by the IRS and the corresponding serial number listed on that favorable letter.

**Line 6d.** If the plan is an individually designed plan and received a favorable determination letter from the IRS, enter the date of the most recent determination letter. Leave this line blank if this individual designed plan never received a favorable determination letter.

**Line 7.** Check "Yes" if a plan is in a U.S. territory, including Puerto Rico (if no election under ERISA section 1022(i)(2) has been made), American Samoa,

Guam, the Commonwealth of the Northern Mariana Islands, or the U.S. Virgin Islands.

**Line 8.** Plans that check "Yes" must enter any amount of unrelated business taxable income as a result of gross income derived from any trade or business regularly carried on and not substantially related to the plan's exempt purpose under section 512. Form 990-T, Exempt Organization Business Income Tax Return, is required for any gross income of \$1,000 or more generated by an employee's trust. Form 990-T must be filed by the 15th day of the 5th month following the end of the trust's tax year. See the instructions for Form 990-T for more details.

**Line 9.** Plans that check "Yes" must enter amounts of any distributions made prior to attainment of retirement, death, disability, and severance of employment or termination of the plan. These amounts would include any distribution allowed under a profit sharing plan after a fixed number of years. See Regulations section 1.401-1(b)(1)(ii). This includes any hardship distributions under section 401(k)(2)(B)(IV) or any distribution allowed under the terms of the plan upon attainment of age 62 under a money purchase plan or defined benefit plan for plan years beginning after December 31, 2006.

## Preparer Information

Enter the preparer's name (including the firm's name, if applicable), address, and telephone number of the Form 5500 or Form 5500-SF related to this filing. A preparer is any person who prepares an annual return/report for compensation, or who employs one or more persons to prepare the return for compensation. If the person who prepared the annual return/report is not the plan sponsor or employer named in line 2a, or the plan administrator named in line 3a (of Form 5500 or Form 5500-SF), name the person on this line. If there are several people who prepared this form, please name the person who is primarily responsible for the preparation of the annual return/report.

## Privacy Act and Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. This form is required to be filed under section 6058(a). Section 6109 requires you to provide your identification number. If you fail to provide this information in a timely manner or if you provide false or fraudulent information, you may be subject to penalties. Section 6104(b) makes the information contained in this form publicly available. Therefore, the information will be given to anyone who asks for it and may be given to the PBGC for the

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administration of ERISA, the Department of Justice for civil and criminal litigation, and cities, states, the District of Columbia, and U.S. commonwealths and territories for use in administering their tax laws. The IRS may also disclose this information to other countries under a treaty, to federal and state agencies to enforce federal non-tax criminal laws, and to federal law enforcement and intelligence agencies to combat terrorism.

You 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 or 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. Generally, the Form 5500 series return/reports and some of the related schedules are open to public inspection.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

<b>Recordkeeping</b>	6 hr., 27 min.
<b>Learning about the law or the form</b>	3 hr., 46 min.
<b>Preparing and sending the form to the IRS</b>	4 hr., 3 min.

If you have suggestions for making this form simpler, we would be happy to hear from you. You can send comments to the IRS from [www.irs.gov/formspubs](http://www.irs.gov/formspubs). Click on "More Information" and then on "Give us feedback." You can also send your comments to Internal Revenue Service, Tax Forms and Publications Division, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send this form to this address. Instead, see *Where To File*, earlier.