

SUPPORTING STATEMENT
Internal Revenue Service (IRS)
Form 8955-SSA
Annual Registration Statement Identifying Separated
Participants With Deferred Vested Benefits
OMB Control Number 1545-2187

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

In 2007, the Department of Labor (DOL) published a final rule requiring plans subject to the annual reporting requirements of Title I of the Employee Retirement Income Security Act (ERISA) to electronically file the Form 5500, Annual Return/Report of Employee Benefit. In order to accommodate the DOL's mandate for electronic filing of the Form 5500 series, Schedule SSA was eliminated, and replaced by Form 8955-SSA.

For plan years beginning on or after January 2009, the Form 8955-SSA must be used to comply with the reporting requirement of the Internal Revenue Code (IRC) Section 6057(a). The IRS will no longer accept Schedule SSA (Form 5500) that is filed for a 2009 or later plan year. The general due date for filing Form 8955-SSA is the last day of the seventh month following the last day of that plan year.

2. USE OF DATA

The IRS uses the information on Form 8955-SSA to determine whether the plan properly accounts for the deferred vested retirement benefits of separated participants. The information provided by plan sponsors on Form 8955-SSA will be transmitted by the IRS to the Social Security Administration (SSA) who will provide it to separated participants when those participants file for social security benefits.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

Electronic filing of Form 8955-SSA is currently available.

4. EFFORTS TO IDENTIFY DUPLICATION

The information obtained through this collection is unique and is not already available or use or adaption from another source.

5. METHODS TO MINIMIZE BURDEN ON SMALL BUSINESSES OR OTHER SMALL ENTITIES

In general, this collection of information has minimal impact on small businesses or entities because the filing requirement is not on retirement plans but on plan administrators of those plans to file Form 8955-SSA. For example, the plan administrator of a section 403(b) plan that is subject to the vesting standards of section 203 of ERISA must file a Form 8955-SSA on behalf of the plan's deferred vested participants. As such, the burden on the retirement plans is minimal.

6. CONSEQUENCES OF LESS FREQUENT COLLECTION ON FEDERAL PROGRAMS OR POLICY ACTIVITIES

The information required is needed to verify compliance with the IRC Section 6057(a). A less frequent collection of taxes and tax information could adversely affect the government's effectiveness and would reduce the oversight of the public in ensuring compliance with IRC and hinder the IRS from meeting its mission.

7. SPECIAL CIRCUMSTANCES REQUIRING DATA COLLECTION TO BE INCONSISTENT WITH GUIDELINES IN 5 CFR 1320.5(d)(2)

There are no special circumstances requiring data collection to be inconsistent with Guidelines in 5 CFR 1320.5(d)(2).

8. CONSULTATION WITH INDIVIDUALS OUTSIDE OF THE AGENCY ON AVAILABILITY OF DATA, FREQUENCY OF COLLECTION, CLARITY OF INSTRUCTIONS AND FORMS, AND DATA ELEMENTS

In response to the Federal Register notice dated May 31, 2022 (87 FR 32503), one comment was received from Karen Friedman, Executive Director of the Pension Rights Center, during the comment period relating to the reporting requirements under section 6057 of the Internal Revenue Code. The comment centers on a frequently asked question" (FAQ) relating to Form 8955-SSA, Annual Registration Statement Identifying Separated Participants with Deferred Vested Benefits, that had been posted on the IRS website. Line 8 of the Form 8955-SSA asks whether the plan administrator provided an individual statement under section 6057(e) to each deferred vested participant required to receive a statement. The FAQ at issue addresses how to answer that question. The answer to the FAQ provides that "a plan administrator may answer 'yes' to question 8 if the required information was timely furnished to participants in other documentation such as benefit statements or distribution forms." The answer also provides that, for purposes of completing Form 8955-SSA, the individual statement under section 6057(e) need not include "the participant's social security number, the codes on page 2 of the Form 8955-SSA used to identify previously reported participants, or any information regarding any benefits which are forfeitable if the participant dies before a certain date."

The commenter states that the FAQ does not satisfy the notice requirements in section 6057 and inappropriately shifts the paperwork burden from retirement plans to deferred vested participants and their beneficiaries. The commenter states that to enhance the quality, utility, and clarity of the information to be collected, the FAQ should be revoked. The commenter further states it is not necessary to wait until regulations. However, the Department of the Treasury (Treasury Department) and the IRS intend to issue guidance on the reporting and notice requirements under section 6057 and have listed that project on the 2021-2022 Priority Guidance Plan, available at www.irs.gov/privacy-disclosure/priority-guidance-plan. The Treasury Department and the IRS are aware of the issues raised by the commenter and will take those comments into consideration.

9. EXPLANATION OF DECISION TO PROVIDE ANY PAYMENT OR GIFT TO RESPONDENTS

No payment or gift has been provided to any respondents.

10. ASSURANCE OF CONFIDENTIALITY OF RESPONSES

Generally, tax returns and tax return information are confidential as required by 26 U.S.C. 6103.

11. JUSTIFICATION OF SENSITIVE QUESTIONS

A privacy impact assessment (PIA) has been conducted for information collected under this request as part of the “Business Master file (BMF)” and a Privacy Act System of Records notice (SORN) has been issued for these systems under IRS 22.062 – Electronic Filing Records; IRS 24.030 – Customer Account Data Engine (CADE) Individual Master File; IRS 24.046 - CADE Business Master File (BMF); IRS 34.037 - IRS Audit Trail and Security Records System. The Internal Revenue Service PIA’s can be found at <https://www.irs.gov/uac/Privacy-Impact-Assessments-PIA> .

Title 26 USC 6109 requires inclusion of identifying numbers in returns, statements, or other documents for securing proper identification of persons required to make such returns, statements, or documents and is the authority for social security numbers (SSNs) in IRS systems.

The Privacy Act statement for Form 8955-SSA can be found in the instructions.

12. ESTIMATED BURDEN OF INFORMATION COLLECTION

Form 8955-SSA is used to comply with the reporting requirement of IRC Section 6057(a). Plan administrators of plans subject to the vesting standards of section 203 of ERISA must file Form 8955-SSA. The agency estimates that there are 200,000 responses annually and that it takes .83 hours to complete for overall annual burden of 166,000 hours.

Form	Description	# Respondents	# Responses Per Respondent	Total Annual Responses	Hours Per Response	Total Burden
8955-SSA	Annual Registration Statement Identifying Separated Participants With Deferred Vested Benefits	200,000	1	200,000	.83 hours	166,000
TOTAL		200,000		200,000		166,000

13. ESTIMATED TOTAL ANNUAL COST BURDEN TO RESPONDENTS

To ensure more accuracy and consistency across its information collections, IRS is currently in the process of revising the methodology it uses to estimate burden and costs. Once this methodology is complete, IRS will update this information collection to reflect a more precise estimate of burden and costs.

14. ESTIMATED ANNUALIZED COST TO THE FEDERAL GOVERNMENT

The Federal government cost estimate is based on a model that considers the following three cost factors for each information product: aggregate labor costs for development, including annualized

start-up expenses, operating and maintenance expenses, and distribution of the product that collects the information.

The government computes cost using a multi-step process. First, the government creates a weighted factor for the level of effort to create each information collection product based on variables such as; complexity, number of pages, type of product and frequency of revision. Second, the total costs associated with developing the product such as labor cost, and operating expenses associated with the downstream impact such as support functions, are added together to obtain the aggregated total cost. Then, the aggregated total cost and factor are multiplied together to obtain the aggregated cost per product. Lastly, the aggregated cost per product is added to the cost of shipping and printing each product to IRS offices, National Distribution Center, libraries and other outlets. The result is the Government cost estimate per product.

The government cost estimate for this collection is summarized in the table below.

Product	Aggregate Cost per Product (factor applied)		Printing and Distribution		Government Cost Estimate per Product
Form 8955-SSA	\$61,462	+	\$0	=	\$61,462
Form Instructions	\$31,389	+	\$0	=	\$31,389
Grand Total	092,851				092,851
Table costs are based on 2021 actuals obtained from IRS Chief Financial Officer, and Media and Publications.					
* New product costs will be included in the next collection update.					

15. REASONS FOR CHANGE IN BURDEN

There have been no changes that would affect burden.

	Requested	Program Change Due to New Statute	Program Change Due to Agency Discretion	Change Due to Adjustment in Agency Estimate	Change Due to Potential Violation of the PRA	Previously Approved
Annual Number of Responses	200,000	0	0	0	0	200,000
Annual Time Burden (Hours)	166,000	0	0	0	0	166,000

16. PLANS FOR TABULATION, STATISTICAL ANALYSIS AND PUBLICATION

There are no plans for tabulation, statistical analysis, and publication.

17. REASONS WHY DISPLAYING THE OMB EXPIRATION DATE IS INAPPROPRIATE

IRS believes that displaying the OMB expiration date is inappropriate because it could cause confusion by leading taxpayers to believe that the regulations sunsets as of the expiration date. Taxpayers are not likely to be aware that the IRS intends to request renewal of the OMB approval and obtain a new expiration date before the old one expires.

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

There are no exceptions to the certification statement.

Note: The following paragraph applies to all of the collections of information in this submission:

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid OMB control number. Books or records relating to a collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.