

LEGAL UPDATE

Changes Proposed to Form 5500 to Implement SECURE Act Rules

On Sept. 14, 2021, federal agencies [announced](#) proposed revisions to the [Form 5500 Annual Return/Report](#). These changes are designed primarily to implement the Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) and to make other improvements.

Key Changes

The key proposed forms revisions would do the following:

- ✓ **Consolidate the Form 5500 for defined contribution retirement plans.** The proposal would add a new type of direct filing entity and add a new Schedule DCG (Individual Plan Information) that such reporting groups must file, in addition to the more generally applicable requirements.
- ✓ **Modify the Form 5500 to reflect pooled employer plans (PEPs) as a new type of retirement plan** and implement changes to multiple-employer pension plans' reporting of participating employer information.
- ✓ **Improve financial reporting** by adding new fee and expense reporting requirements, and enhancing the format and content of the existing schedules of assets held for investment.
- ✓ **Expand the number of defined contribution retirement plans that would be eligible for small plan simplified reporting options** by changing the participant-count methodology.
- ✓ **Add questions to improve financial and funding reporting** by certain defined benefit pension plans, and improve oversight and compliance of tax-qualified retirement plans.

A [fact sheet](#) summarizing the changes is available, in addition to the [Proposed Rule](#) and the [Notice of Proposed Form Revisions](#).

Timing of Proposed Changes

Nov. 1, 2021

Public comments on the proposed changes are due.

Jan. 1, 2022

If adopted, the proposed changes generally would be effective for plan years beginning on or after Jan. 1, 2022.

July 2023

Form 5500s for the 2022 plan year generally are not required to be filed until 7 months after the end of the plan year (July 2023 for calendar year plans), with the availability of a 2 ½ month extension.

The proposed revisions would affect employee pension and welfare benefit plans subject to annual reporting.

Provided to you by [The Hatcher Agency](#)

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