

MEMO# 21915

November 1, 2007

DOL Issues Additional Guidance on LM-10 Reporting

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TO: COMPLIANCE ADVISORY COMMITTEE No. 21-07
INVESTMENT ADVISER MEMBERS No. 33-07
INVESTMENT ADVISER ASSOCIATE MEMBERS No. 5-07
PENSION MEMBERS No. 64-07 RE: DOL ISSUES ADDITIONAL GUIDANCE ON LM-10 REPORTING

The Department of Labor's Office of Labor-Management Standards (OLMS) has expanded its Frequently Asked Questions on Form LM-10 FAQs by modifying Q&A 7(A) and adding new Q&As 61(A) and 62. [\[1\]](#) The LM-10 is the form employers file to report certain payments to labor organizations and union officials.

Expanded Q&A 7(A) now contains a paragraph stating that a service provider or vendor to a Taft-Hartley fund would not ordinarily be viewed as an "agent" of a labor organization. This is important because employers must report on LM-10 not only payments to labor organizations and officers, but also payments to "agents" of labor organizations.

New Q&A 61(A) addresses the recordkeeping and reporting implications when a number of employers make payments directly to a vendor for a union-conducted meeting. New Q&A 62 addresses payments to tax exempt organizations.

OLMS stated it is preparing additional FAQs to address issues it previously deferred until completion of the LM-30 rulemaking. [\[2\]](#)

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endnotes

[1] The latest version of the LM-10 FAQs is available at http://www.dol.gov/esa/regs/compliance/olms/LM10_FAQ.htm. For more information on the LM-10 FAQs, see [Memorandum](#) to Compliance Advisory Committee No. 14-06, Investment Adviser Members No. 26-06, Investment Adviser Associate Members No. 13-06 and Pension Members No. 62-06 [20438], dated October 5, 2006; [Memorandum](#) to Compliance Advisory Committee No. 8-06, Investment Adviser Members No. 11-06, Investment Adviser Associate Members No. 5-06 and Pension Members No. 15-06 [19821], dated March 10, 2006; and [Memorandum](#) to Compliance Advisory Committee No. 55-05, Investment Adviser Members No. 22-05, Investment Adviser Associate Members No. 17-05 and Pension Members No. 53-05 [19361], dated November 11, 2005.

[2] See Q&A 12 (addressing whether a labor organization with employees can itself be an “employer” for purposes of LM-10 reporting) and Q&A 73 (addressing whether payments from trusts may be reportable on LM-30, because the payment is made to a union official, or LM-10, because the trust itself may be an employer). In deferring these issues, OLMS had stated it will not take enforcement action with respect to payments from unions to other unions or union officials or pension or welfare payments from trusts, pending completion of the LM-30 rulemaking. The LM-30 rulemaking was completed on July 2, 2007. See [Memorandum](#) to Compliance Advisory Committee No. 13-07, Investment Adviser Members No. 24-07, Investment Adviser Associate Members No. 4-07 and Pension Members No. 39-07 [21362], dated July 17, 2007.

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