

MEMO# 30312

October 14, 2016

IRS Instructs Filers to Skip New Compliance Questions on 2016 Form 5500

[30312]

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TO: PENSION MEMBERS No. 34-16
BANK, TRUST AND RETIREMENT ADVISORY COMMITTEE No. 37-16 RE: IRS INSTRUCTS
FILERS TO SKIP NEW COMPLIANCE QUESTIONS ON 2016 FORM 5500

The Internal Revenue Service recently announced that when completing Form 5500 for 2016, plan sponsors should not answer certain new compliance questions that were added to the Form 5500 series returns, including Schedules H, I and R. In March of this year, IRS made this announcement with respect to the 2015 Form 5500, by posting on its website a listing by schedule and line number which questions should be skipped.[\[1\]](#) Today, IRS modified its website to indicate that this instruction also applies to the 2016 Form 5500.[\[2\]](#)

In 2014, the IRS had proposed changes to the plan year 2015 Form 5500 series returns, including a number of new tax law compliance questions. After several commenters expressed concern, IRS announced in late 2015 that responses to the new compliance questions would be optional for the 2015 plan year, although responses were strongly encouraged.[\[3\]](#)

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endnotes

[\[1\]](#) See [Memorandum](#) to Pension Members No. 7-16 and Bank, Trust and Retirement Advisory Committee No. 7-16 [29744], dated March 3, 2016.

[\[2\]](#) The announcement is available here:
<https://www.irs.gov/retirement-plans/irs-compliance-questions-on-the-2015-and-2016-form-5500-series-returns>.

[3] IRS had also posted answers to certain frequently asked questions (FAQs) regarding the new tax law compliance questions. See [Memorandum](#) to Pension Members No. 39-15 and Bank, Trust and Retirement Advisory Committee No. 42-15 [29594], dated December 23, 2015.

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