

MEMO# 33985

January 6, 2022

IRS Posts Updated Versions of Various Tax Forms Related to Retirement Savings

[33985]

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TO: ICI Members

Bank, Trust and Retirement Advisory Committee

Operations Committee

Pension Committee

Pension Operations Advisory Committee SUBJECTS: Pension

Tax RE: IRS Posts Updated Versions of Various Tax Forms Related to Retirement Savings

As summarized below, the IRS has posted updated versions of various tax forms and instructions (some in draft form) related to pension and retirement plan distributions.

Forms 1099-R/5498

A final version of the instructions for Forms 1099-R and 5498 (Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.) for the 2022 tax year is available here: <https://www.irs.gov/pub/irs-pdf/i1099r.pdf>.^[1] Under the "What's New" section on page 1 of the instructions, two items are noted: (1) the requirement to report on Form 1099-R payments from qualified plans to state unclaimed property funds made on or after January 1, 2022;^[2] and (2) new Form W-4R for 2022 to be used only for withholding on nonperiodic payments and eligible rollover distributions (see description below).

Forms W-4P/W-4R

As we previously reported,^[3] the IRS is creating two separate forms to replace the current Form W-4P, which is for use with both periodic and nonperiodic payments (and eligible rollover distributions) from retirement plans and annuities. Final versions of redesigned 2022 Forms W-4P (Withholding Certificate for Periodic Pension or Annuity Payments) and W-4R (Withholding Certificate for Nonperiodic Payments and Eligible Rollover Distributions) are available here: <https://www.irs.gov/pub/irs-prior/fw4p--2022.pdf> and <https://www.irs.gov/pub/irs-prior/fw4r--2022.pdf>.

Form 8915-F

A draft version of the instructions to a redesigned Form 8915-F (Qualified Disaster Retirement Plan Distributions and Repayments) is available here:

<https://www.irs.gov/pub/irs-dft/i8915f--dft.pdf>. The redesigned Form 8915-F follows previous versions of Form 8915 which corresponded to specified disaster periods. For example, Form 8915-E^[4] relates specifically to qualified 2020 disaster distributions and repayments, to be used for Coronavirus-Related Distributions^[5] and other qualified 2020 disaster distributions. The redesigned form is intended to be a "forever" form. As explained in the draft instructions, beginning in 2021, the IRS will not issue additional alphabetical Forms 8915 (e.g., Form 8915-G, Form 8915-H, etc.). Instead, the same Form 8915-F will be used for distributions for disasters not covered by one of the earlier versions of the form (and for each year of reporting of income and repayments of those distributions.) The form will contain check boxes in items A and B to specify the exact year of filing and the year of the qualified disaster/distributions. Note that qualified distributions received in 2021 relating to 2020 qualified disasters will be reported on Form 8915-F, rather than Form 8915-E.

Other Relevant Form Updates

The Department of Labor (DOL), IRS and Pension Benefit Guaranty Corporation released informational copies of the 2021 Form 5500 Annual Return/Report of Employee Benefit Plan and related instructions, which can be accessed here:

<https://www.dol.gov/newsroom/releases/ebsa/ebsa20211229>. The updated instructions reflect recently finalized changes relating to multiple employer plans (MEPs), including pooled employer plans (PEPs).^[6]

The IRS also posted updated instructions for Form 8950, Application for Voluntary Correction Program (VCP) Under the Employee Plans Compliance Resolution System (EPCRS), available here: <https://www.irs.gov/pub/irs-pdf/i8950.pdf>.^[7]

Elena Barone Chism
Associate General Counsel - Retirement Policy

endnotes

^[1] For a description of the draft instructions for 2022 Forms 1099-R and 5498, see ICI Memorandum No. 33885, dated November 5, 2021, *available at* <https://www.ici.org/memo33885>. The 2022 Form 1099-R is available here: <https://www.irs.gov/pub/irs-pdf/f1099r.pdf> and the 2022 Form 5498 is available here: <https://www.irs.gov/pub/irs-pdf/f5498.pdf>.

^[2] The requirement to report plan payments to state unclaimed property funds was described in Revenue Ruling 2020-24. See ICI Memorandum No. 32851, dated October 20, 2020, *available at* <https://www.ici.org/memo32851>.

^[3] See ICI Memorandum No. 33889, dated November 9, 2021, *available at* <https://www.ici.org/memo33889>. As a reminder, the IRS previously indicated that the 2022 forms would be optional until 2023.

[4] Form 8915-E is available here: <https://www.irs.gov/pub/irs-pdf/i8915e.pdf>

[5] For more detail on Coronavirus-Related Distributions and Form 8915-E, see ICI Memorandum No. 32918, dated November 18, 2020, *available at* <https://www.ici.org/memo32918>.

[6] See ICI Memorandum No. 33975, dated December 29, 2021, *available at* <https://www.ici.org/memo33975>.

[7] For a description of the most recent updates to EPCRS, see ICI Memorandum No. 33711, dated August 2, 2021, *available at* <https://www.ici.org/memo33711>.

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