

## SSA Filings Now Due!

by: Judith Rohr, CRSP, QKA

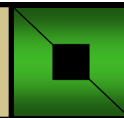
One attachment of the “old” paper version of Form 5500 was the Schedule SSA. The SSA is used to report to the Social Security Administration the terminated participants who still have a vested balance in the plan. However, as you are well aware, the Form 5500 now has to be signed and filed electronically and it is accessible online. Since the SSA lists the participants’ social security numbers and other confidential data, obviously, this information cannot be posted online. Beginning with returns for the 2009 plan year, Schedule SSA has been eliminated as a schedule of the Form 5500 and is replaced with Form 8955-SSA. Plan administrators must file this new Form separately with the IRS and not through the EFAST2 filing system.

The newly designed Form was released on June 22, 2011. Since there was no Form available for 2009 or 2010 filings, plans had to postpone those filings. Normally, the due date for the Form SSA is the last day of the seventh month following the last day of the plan year. However, since the Form was just recently made available, plan administrators have been given additional time to complete and file the new Form 8955-SSA. The deadline for the Form for the 2009 and 2010 plan years is the later of January 17, 2012, or the due date of the plan’s 2010 Form 5500. So, for plan years ending on 12/31/2009 or 12/31/2010, the filing is due January 17, 2012. This deadline cannot be extended.

**Can the 2009 and 2010 reportable employees be reported on the same Form 8955-SSA?** Yes. Actually, Plan Administrators may use a separate 2009 Form 8955-SSA to report information for the 2010 plan year or combine the information for the 2009 and 2010 plan years on a single 2009 Form 8955-SSA.

**How will the Form 8955-SSA be filed?** There are two ways to file the Form 8955: 1) Paper, which will require signatures by the plan sponsor and plan administrator. If they are the same person, only the plan administrator must sign and date the Form; or, 2) Electronically, which requires no signatures. A Transmitter Control Code (TCC) will be required; however, no TCC will be needed if third-party software is used to initiate the filing. RMS’s third-party software provider is currently working to have their forms approved by the IRS.

If you would like access to more FAQs regarding the Form 8955-SSA, please click on the following link to the IRS website:  
<http://www.irs.gov/retirement/article/0,,id=240820,00.html>  
or contact your RMS team.



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**Who must be reported?** 1) Separated participants with vested benefits in the plan; and 2) Separated participants previously reported under the plan, but whose information is being corrected.

A participant is not required to be reported if: he is paid some or all of his vested benefit, he returns to service covered by the plan, or he forfeits all of the vested benefit. Also, separated participants previously reported with a balance, but who have been paid out or are no longer entitled to those benefits, need to be removed on a future SSA filing.

**When must separated participants be reported?** In general, the vested interest in the plan must be reported no later than the plan year following the plan year in which the participant terminates employment. For example, a participant terminating in 2009 with a vested balance must be reported on the 2010 Form 8955-SSA. However, participants can be voluntarily reported in the same plan year in which they terminate.

**Are there other Employer obligations?** Yes, the Employer is required to provide notice to participants reported on the Form 8955-SSA. This notice must be distributed by the due date of the filing. The law and the IRS instructions are vague on the details of this notice. It's possible that by distributing the regular, PPA-mandated benefit statement this requirement would be satisfied, especially if the Employer also sends distribution and consent forms to the separated participants. The statements must be provided to the separated participants no later than the due date for filing the Form 8955-SSA. Question 8 of the Form 8955-SSA asks "Did the plan administrator provide an individual statement to each participant required to receive a statement?"

**Are there penalties associated with failure to file the Form 8955-SSA?** The penalty for failing to file a Form 8955-SSA is \$1 for each participant not reported and for each day multiplied by the number of days the failure persists, up to \$5,000.

A penalty of \$50 will be imposed on the person required to furnish the statement to each participant reported for each willful failure to furnish a statement.

**What do I need to do?** Make sure that someone is taking responsibility for your filings for 2009 and 2010. If you have recently switched vendors or TPAs, there may be some confusion as to which provider should assume responsibility for going back and preparing the filing. You don't want this reporting to be overlooked or filed late!