

September 16, 2015

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Deputy Assistant Secretary (Retirement and Health Policy)
U.S. Department of the Treasury
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Ms. Sunita B. Lough
Commissioner
Tax Exempt & Governmental Entities Division
Internal Revenue Service
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Washington, D.C. 20224

Re: Request to Make Optional the 2015 Form 5500-SUP, Including Related Items on the 2015 Form 5500 Series

The American Society of Pension Professionals & Actuaries (ASPPA) is writing to request that the Internal Revenue Service (IRS) permit filers to complete the 2015 Form 5500-SUP (and/or the equivalent items appearing on the 2015 Form 5500 series, including the paid preparer disclosure) on a completely voluntary (i.e., optional) basis. The 2015 Form 5500-SUP, which has to date only been published as a draft, is a paper form which may be used by certain filers to provide specific compliance information; however, the IRS also has arrayed the compliance lines across the electronically filed 2015 Form 5500 series as an alternative method for all filers to comply with the new disclosure requirements. ASPPA has previously expressed its concerns to both the Internal Revenue Service/Treasury and the Office of Management and Budget (OMB) about the 2015 Form 5500 series reports, including the new Form 5500-SUP¹, and continues to strongly reiterate such concerns herein as ample support for the requested relief.

ASPPA is a national organization of retirement plan professionals who provide consulting and administrative services for qualified retirement plans covering millions of American workers. ASPPA members are retirement professionals of all disciplines including consultants, administrators, actuaries, accountants, and attorneys. ASPPA is particularly focused on the issues faced by small- to medium-sized employers. ASPPA is now part of the American Retirement

¹ ASPPA submitted written comments to the IRS on February 23, 2015 [see <http://www.asppa.org/Portals/2/PDFs/GAC/Comment%20Letter/Comment%205500%20Letter2.23.15final.pdf>], regarding some of its concerns about the agency's approach to the additional data collection required by the Form 5500-SUP and subsequently commented in its June 8, 2015 letter to OMB [see <http://www.asppa.org/Portals/2/PDFs/GAC/Comment%20Letter/OMB6.8.15final.pdf>] about the burden to filers and their service providers in providing this data relative to the 2015 reporting year.



Association whose total membership of more than 20,000 retirement plan professionals is diverse but united by a common dedication to the employer-based retirement plan system.

For purposes of this discussion, we will refer to the information requested in the Form 5500-SUP as “SUP-data” without regard to whether the information is paper-filed using the Form 5500-SUP or electronically submitted as part of the Form 5500 series filing. Further, ASPPA’s request is limited to the SUP-data intended to be collected for the 2015 plan year, including identification of the paid preparer.

ASPPA appreciates the willingness of the IRS to provide FAQs or revise future forms and instructions to clarify the responses required for the SUP-data. However, the fact remains that ASPPA members are at the eleventh hour in terms of attempting to develop procedures for the collection of the SUP-data and, as of this date, no official guidance is available to the public that would enable service providers to take decisive action. The draft forms and instructions, together with the governmental responses to issues identified at the EFAST2 developers meeting in June 2015, are not yet final and continue to raise numerous questions. ASPPA maintains that service providers and software vendors need adequate time to develop and implement sufficient mechanisms to respond to this initiative in order for the systems to be developed and data collection to be accurate and meaningful to the IRS.

Further, ASPPA urges the IRS to consider the processes described in OMB’s August 9, 2012 memo regarding *Testing and Simplifying Federal Forms*². ASPPA strongly recommends that the IRS allow additional time to make the SUP-data collection less complex, burdensome, and confusing to ensure that the agency collects the best data possible.

While there may be a limited number of filers that will have little difficulty capturing accurate data on the 2015 Form 5500 series, the process is completely dependent on the nature of the service model employed to provide compliance, plan document, and Form 5500 preparation services to the plan. When distinct computerized systems are utilized and multiple service providers are engaged by the plan, such businesses must arrange to reprogram systems and to coordinate manual collection of the required information. As a practical matter, these businesses will wait until final forms and instructions are issued before updating their systems. It then generally takes at least 12 months for the necessary capital investments to be approved and technology, communication, and procedural changes to be developed, tested and implemented. Further complicating the process, most companies have already set their budgets for 2016.

It is important to note that many service providers currently have much of their technical staff and resources devoted to the restatement of defined contribution plan documents in order to meet the IRS-imposed deadline of April 30, 2016. This work severely limits the resources available and will further impact the industry’s ability to effectively respond to the SUP-data collection requirements.

² See <https://www.whitehouse.gov/sites/default/files/omb/inforeg/memos/testing-and-simplifying-federal-forms.pdf>



Because of the considerable time and expense involved in meeting the requirements of the SUP-data collection proposed by the IRS, ASPPA respectfully requests that filers be permitted to provide such information for the 2015 reporting year on a completely voluntary (optional) basis.

* * *

These comments were prepared by ASPPA's Reporting and Disclosure Sub-committee of the Government Affairs Committee, Kizzy Gaul, Chair. Please contact Craig Hoffman, General Counsel and Director of Regulatory Affairs at ASPPA, at (703) 516-9300 ext. 128, if you have any comments or questions regarding the matters discussed above.

Thank you for your time and consideration.

Sincerely,

/s/

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Executive Director/CEO
American Retirement Assoc.

/s/

Judy A. Miller, MSPA
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/s/

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