

Client Briefing

Understanding IRS Form 8955

August 2011

IRS Form 8955-SSA (Annual Registration Statement Identifying Separated Participants with Deferred Vested Benefits) is an IRS form that ERISA plans must use to report participants who have separated from service and have deferred vested plan benefits remaining in the plan. The IRS will report this information to the Social Security Administration, which uses the information to notify applicants, or applicants' beneficiaries, for Social Security benefits that they may be entitled to deferred vested benefits payable from a prior retirement plan in which the applicant participated.

The Form 8955-SSA should be used for plan years beginning on or after January 1, 2009, with the following exception: if you have already submitted a Schedule SSA to the IRS for the 2009 plan year or a short 2010 plan year, you do not have to resubmit the new Form 8955-SSA as long as the Schedule SSA was filed with the IRS no later than April 20, 2011.

The due date for filing the form for the 2009 and the 2010 plan years is *the later of (1) the due date that generally applies for filing the Form 8955-SSA for the 2010 plan year, or (2) January 17, 2012*. For example, in the case of a 2009 plan year or a short 2010 plan year ending before March 31, 2011, the Form 8955-SSA is not required to be filed before January 17, 2012.



If your organization's retirement plan is subject to ERISA requirements, you must now begin to report "separated plan participants", who have deferred vested benefits, on the newly released Internal Revenue Service (IRS) Form 8955-SSA. If you are required to file Form 5500, you are also required to file Form 8955-SSA if your plan has participants who have separated from service with a deferred vested benefit.

This Client Briefing is provided by Milligan to help you understand your responsibilities and complete Form 8955-SSA for plan years beginning in 2009 and 2010.

For plan years ending after March 31, 2011, the due date for Form 8955-SSA will generally be the same as the statutory due date for Forms 5500 and 5500-SF, i.e., the last day of the seventh month following the end of the plan year, unless an extension is obtained. An extension of time to file Form 8955-SSA (up to 2½ months) may be obtained by filing Form 5558 on or before the normal due date (not including any extensions) of the Form 8955-SSA. However, the January 17, 2012 due date cannot be extended further by filing Form 5558.

Forms 8955-SSA and 5500 are separate and distinct filings. Form 8955-SSA will be filed with the IRS, while Form 5500 will continue to be filed with the Department of Labor.

Your own payroll and HR records should have the primary data driving the identification of separated participants, supplemented by data provided in your Plan's financial reporting package. This new filing requirement underscores the need to maintain up-to-date participant census data, such as termination dates, to help you meet your fiduciary obligations to the plan.

We hope this information is helpful to you. As always, Milligan stands ready to help with your plan reporting and audit needs.

About MILLIGAN

Faced with so many regulatory and accounting rules, along with the increased fiduciary liability that these changes bring, many employers will look to firms with extensive benefits expertise to meet the reporting requirements of their investment plans. The IRS has signaled that it will be ramping up its audits of 403(b) and other employee benefit plans to insure compliance with the new regulations.

Milligan & Company is ready to assist you in complying with these new regulations.

If you have any questions on this Client Briefing or would like more information, please contact your Milligan Audit Manager or LaVon Chancy, Esq., Di-

The general information in this correspondence is not intended to be nor should it be treated as tax, legal, or accounting advice.

Additional issues could exist that would affect the tax treatment of a specific transaction and, therefore, taxpayers should seek advice from a tax advisor based on their particular circumstances before acting on any information presented.

This information is not intended to be nor can it be used by any taxpayer for the purpose of avoiding tax penalties.

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