

5500 Requirements for Retirement Plans

Every Plan Sponsor of a retirement benefit plan is generally required to file an annual Form 5500 with the U.S. Department of Labor (the "DOL"). The annual report collects basic information about the plan and the sponsor, including the plan's financial conditions, operations and investments.

What type of Form 5500 filing is required?

The forms and schedules to be filed mostly depend on the number of participants on the first day of a plan year. Effective for plan years beginning on or after January 1, 2023, the number of participants for this purpose is participants with a balance as of the first day of the plan year. In general,

- If the plan has fewer than 100 participants, only Form SF ("short form") must be filed.
- If a plan has 100 or more participants, the plan is considered a large plan. Large plan filers are required to engage an independent qualified public accountant (IQPA) to audit the plan's financial statements each year. *Furthermore, for a large plan, the audit report and IQPA's opinion must be attached to a standard Form 5500, along with multiple schedules at the time of the filing.*
- There is an exception to the above large plan/small plan rules known as the 80/120 rule. The rule allows small plan filers to continue to do so as long as they stay at 120 participants or below. Once a plan becomes a large plan filer and is required to conduct an independent audit, it must continue to be audited until the plan falls below 100 participants.

What are the due date and extensions?

Form 5500 must be filed by the end of the seventh month following the end of the plan year. For example, a plan ending on December 31st is required to file on July 31st of the following year. However, **it is possible to extend the filing due date 2 ½ additional months** if a Form 5558 is filed prior to the filing deadline (for example, until October 15th under the extended deadline).

How is the Form 5500 filed?

The DOL requires that all Forms 5500 be filed electronically. The plan sponsor who e-signs a Form 5500 must have valid EFAST2 signing credentials. To obtain the user identification and personal identification number see our [Obtaining EFAST2 Credentials](#) Help Center article.

How does Sentinel help with the Form 5500?

Sentinel will prepare an e-signature ready Form 5500 and applicable schedules for you. For large plan filers, we will prepare the Form and attach the audited financial statements provided by your independent audit firm. The 5500 is posted through our filing platform for you to log in, review and e-sign.

Your responsibility as Plan Administrator.

Plan Administrators are responsible for reviewing and e-filing Form 5500 every year. Plan Administrators should always review their Form 5500 carefully to make sure it is accurate and complete before filing, as you're ultimately responsible for the filing and its contents even if the Form is prepared by Sentinel.

What happens if you file Form 5500 late?

The DOL can assess penalties for each day a Form 5500 is not filed. Employers may be eligible for the DOL's voluntary correction program (the "DVCP").