

A Simple Guide to the Form 5500 Series

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Executive Summary

They say death and taxes are the two things in life we can't escape. We'd add another: paperwork. If you're a business owner, you know that there are a lot of forms and filings needed to keep your company in compliance.

One paperwork requirement you may not be familiar with is the Form 5500 series. If you run a business that offers employee benefits, you need to become familiar with the Form 5500 series right away. Keep reading to learn more about the who, what, where, when and how of the Form 5500 series.

What is a Form 5500?

A Form 5500 is an informational return filed with the Internal Revenue Service (IRS). As the name implies, informational returns are strictly informational, which means there are no payments or refunds associated with the filing. The Form 5500 was created to satisfy annual reporting requirement of the IRS Code and the Employee Retirement Income Securities Act of 1974 (ERISA), which was enacted to protect retirement security and the retirement incomes of American workers, retirees and their families in private sector defined-benefit pension plans.

Form 5500 Highlights:

Regulation applies to medical, vision, dental and sometimes supplemental benefits

For employers with 100+ participants, each offered benefit requires its own Form 5500 filing

Forms are due on the last day of the seventh month after your plan year ends

Why is the Form 5500 needed?

Through a Form 5500 filing, employers let the IRS and the U.S. Department of Labor (DOL) know that their employee benefits plans are operated and managed in accordance with certain prescribed standards. The Form 5500 also ensures that participants and beneficiaries have all the information they need to protect their rights and benefits.

Who needs to file the Form 5500?

If your business has 99 or fewer participants in your benefit plans, you only need to file for your retirement plans, such as 401(k)s and profit-sharing plans.

If you have 100 or more participants, the Form 5500 series has a wider scope. It's important to note that the IRS counts all the people who participate in the plan, including employees, spouses, children, and other dependents.

For employers with 100+ participants, you must also file a Form 5500 for benefits like:

- medical
- vision
- dental
- other health plans, such as:
 - life insurance plans
 - flexible spending accounts
 - cafeteria plans
 - paid time off (PTO)
 - disability coverage
 - any other employee benefit plan or fringe benefit plan



Each offered benefit requires its own Form 5500 — you cannot combine multiple plans into one filing.

However, there are some exemptions. Benefit plans that are not subject to ERISA, such as governmental plans, some church plans, non-ERISA benefits offered through a cafeteria plan, and some 403(b) plans, don't require filing. Also included in this group are simple IRAs and small welfare plans (fewer than 100 participants) that are unfunded and/or fully insured. As always, consult with your tax advisor to find out which regulations apply to your business.

Do supplemental benefits like accident and critical illness insurance require a Form 5500?

Sometimes. We recommend consulting with your tax advisor about your specific situation.

The deciding factor in filing a Form 5500 for a supplemental plan is whether the Plan Sponsor (the employer) endorses the coverage. Endorsing does not simply mean paying a partial or full amount of a premium. Endorsement by the Plan Sponsor can be done in a few different ways, some of which are so subtle that it's possible for the Plan Sponsor to endorse inadvertently.

If you offer supplemental benefits to your employees, your best bet is to consult an expert — either a qualified tax advisor or an ERISA attorney.

Why is it called the Form 5500 series?

It's called a series because there are three different variations of the form; businesses file the version specified for the number of plan participants they have. Reference the chart below to see which one you would need to file.

Form 5500 Annual Return/Report of Employee Benefit Plan (Form 5500)

Filed by employers who have at least one specified plan with 100 or more participants.

Form 5500 Short Form Annual Return/Report of Small Employee Benefit Plan (Form 5500-SF)

Filed by employers who have a specified plan with fewer than 100 participants and meet all the eligibility conditions set by the DOL and the IRS. Some of these eligibility conditions include the plan not being a multi-employer plan and the requirement that the plan is 100% invested in certain secure, easy-to-value assets that meet the definition of "eligible plan assets."

To read the full list of eligibility conditions, refer to the filing instructions for Form 5500-SF on the [DOL's website](#).

Form 5500 Annual Return of a One-Participant Plan (Owners/Partners and Their Spouses) (Form 5500-EZ)*

Filed by employers who have only one participant plan with assets of at least \$250,000 at the end of the plan year.

Also used by retirement plans kept outside the United States primarily for the benefit of nonresident aliens. Filing is needed if the employer maintaining the plan is:

- A domestic employer
- A foreign employer with income derived from sources within the United States (including foreign subsidiaries of employers of domestic employees) if contributions to the plan are deducted on its U.S. income tax return.

* Note: Some foreign plans maintained outside of the U.S. by a domestic employer or a foreign employer primarily for the benefit of nonresident aliens must file a Form 5500-EZ rather than the standard Form 5500.

How do I file the Form 5500?

The standard Form 5500 and Form 5500-SF must be filed electronically through the [EFAST2 system](#). 5500-EZ can be filed electronically through the EFAST2 system, an EFAST2-approved vendor, or on paper with the IRS.

The EFAST2 portal uses DOL electronic signing credentials for the secure username and password. If you do not have DOL credentials already, you can obtain them at www.efast.dol.gov.

To find out how to file online or by mail, you can visit the [DOL's website](#).

When are these forms due?

The deadline to file all the forms in the Form 5500 series is the same: the last day of the seventh month after the plan year ends. For example, if you have a calendar-year plan, the deadline is July 31st.

The IRS understands that sometimes you need an extension, so there's another form for that. Be aware, however, that this is a one-time extension. The extension form is Form 5558, which can be found on [the IRS's Form 5500 Corner website](#). This is a separate filing process; the original Form 5500 series paperwork does not have to be included.

If you have multiple plans that need 5500s, you must submit a separate extension form for each plan. If the extension is filed in a prompt and complete manner, your Form 5500 will be due no later than the 15th day of the third month after the original due date. For example, if the normal due date was July 31st, the extension due date would be October 15th. The Form 5558 must be mailed to the IRS by the filing deadline to be approved for an extension.

Be aware that late filers of Form 5500 can be penalized twice — once by the IRS and once by the DOL. Those penalties can be significant: the IRS penalties for a late filing without notice or a qualified extension are \$250 per day, up to a maximum of \$150,000; the DOL penalties are up to \$1,100 per day with no maximum.

There is some good news, though: the DOL provides a cap on penalties to encourage reporting compliance and help plan administrators get back on track. The maximum penalty for a single late Form 5500 is \$750 for small plans or \$2,000 for large plans. There are also "per plan" caps that limit total penalties to \$1,500 for small plans (fewer than 100 participants) or \$4,000 for large plans (100 participants or more) regardless of the number of late annual filings.

The DOL also offers a Delinquent Filer Voluntary Compliance Program (DFVCP), which reduces penalties for eligible employers. You can learn more about the DFVCP on the [DOL's website](#).

Form 5500 Series – Website Resources

- [IRS Form 5500 Corner](#) - a one-stop shop for all things Form 5500
- [Department of Labor Form 5500 Series website](#) - another good general resource for basic information from a DOL perspective
- [EFAST2 Filing website](#) - DOL portal for filing Form 5500 paperwork
- [Delinquent Filer Voluntary Compliance Program website](#) - portal for Form 5500 delinquency resolution

Summary

Employee benefits like retirement plans, life insurance, health care plans and disability coverage are instrumental in attracting and keeping your business' most valuable asset: your people. Providing your employees with quality plans like those offered through Allstate Benefits is the first step. Just make sure you're consulting with your tax advisor to see if your benefit offerings require additional steps, like completing filings from the Form 5500 series.

This is a general overview of the Form 5500 series and its filing processes. For more specific details on how your business should file, please consult with your tax advisor.

This material is valid as long as information remains current, but in no event later than February 15, 2026.

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