

# Form 5500 Due Date: Avoid Serious Late Filing Penalties

## Form 5500 Due Date

The Form 5500 due date for filing depends on the plan year. The general rule is that Form 5500s must be filed by the last day of the seventh month after the plan year ends, unless filing an extension. Calendar year plans have a Form 5500 due date of July 31st. Non-calendar year plans must calculate their deadline based on the end of the plan year. In either case, it is best to file Form 5500s and associated schedules long before the deadline. In fact, the IRS recommends ways to avoid filing mishaps, such as hiring a third-party filing expert (e.g., BASIC) to ensure timely and accurate filing. Employers should contract their compliance and filing partner well in advance of their filing deadline to avoid delays and provide adequate time to review welfare plans and filing requirements.

Employers can request a two-and-a-half-month extension to their filing deadline by submitting a Form 5558.

## Do We Need to File?

Form 5500s must be filed for health and welfare plans subject to ERISA, meaning plans with 100 or more participants on the first day of the plan year. These plans can include benefits such as health, dental, vision, life insurance, short-term and long-term disability, Health Reimbursement Arrangements (HRA), and health FSA plans. However, not all plans with these criteria require Form 5500 filings,

including plans sponsored by a government employer or church, so employers must determine which of their sponsored plans are subject to ERISA and require Form 5500 filings.

## Avoid Harsh Penalties

There are separate regulations from the Internal Revenue Service (IRS) and the Department of Labor (DOL) that impose penalties for noncompliance. The SECURE Act, passed in 2019, multiplied the IRS late filing penalty by 10, amounting to \$250 per day with a maximum penalty of \$150,000 per plan year. And still, this penalty pales in comparison to the DOL penalty for late filing, which in 2022 has risen to \$2,400 per day with no yearly maximum.

The risks don't stop there. Form 5500s filed on time can still be rejected and considered late due to errors and inaccuracies. This makes working with a filing and compliance expert even more important to reduce your organizations potential penalty risk.



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