



# Form 5500 updates address MEPs and more

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Final changes to the [instructions to Form 5500, Annual Return/Report of Employee Benefit Plan](#), for the 2021 plan year implement enhanced reporting for defined contribution (DC) multiple-employer plans (MEPs), as required by the Setting Every Community Up for Retirement Enhancement (SECURE) Act of 2019 ([Div. O of Pub. L. No. 116–94](#)). These changes are just a small component of a much broader package of recently [proposed revisions](#) to Form 5500 and supporting [regulations](#) that the Department of Labor (DOL) will address separately for the 2022 plan year. DOL also has [updated the 2021 Form 5500](#) to implement the SECURE Act’s provisions for retroactively adopted retirement plans, changes to multiemployer plan reporting on Schedule MB and a minor change to Schedule SB for single-employer defined benefit (DB) plans.

## SECURE Act changes for MEPs

The SECURE Act introduced a new type of MEP called a “pooled employer plan” (PEP) for unrelated employers that don’t qualify for preexisting MEP structures. Retirement MEPs — including PEPs — must report aggregate account balances for each participating employer beginning with the 2021 plan year. PEPs must also report information about the pooled plan provider.

## MEP reporting enhancements

Enhanced reporting requirements apply for all types of DC retirement MEPs, including association retirement plans and professional employer organization (PEO) plans in existence before the SECURE

Act. MEPs will report the required information on an attachment to their Form 5500 filing for the 2021 plan year:

- **Employer account balances for DC MEPs.** DC MEPs will report year-end account balances attributable to each participating employer. In response to comments, DOL has clarified that this new requirement doesn't apply to DB MEPs.
- **Pooled plan provider information for PEPs.** PEPs must report whether the pooled plan provider is in compliance with Form PR, *Registration for Pooled Plan Provider*, filing requirements and provide the system-generated acknowledgement code (AckID) from the most recent Form PR.

## Status quo for multiple employer welfare arrangements (MEWAs)

DOL affirms that MEWAs must continue to report participating employer information for the 2021 plan year. Commenters argued that the SECURE Act changes limit reporting of participating employer information to retirement MEPs, but DOL cites other existing sources of authority for requiring MEWAs to provide this information.

## Other 2021 changes for retirement plans

DOL also released the 2021 Form 5500 package with the following updates:

- **Retroactively adopted retirement plans.** DOL added a new check box on Form 5500 for plans retroactively adopted pursuant to the SECURE Act.
- **Changes for multiemployer plans.** Schedule MB includes a new line to report employer contributions for withdrawal liability and a new code in line 7 to report amortization bases for net investment losses and other losses related to COVID-19.
- **Changes for single-employer DB plans.** Schedule SB now requires separate reporting of the target normal cost attributable to current-year accruals and plan-related expenses. The schedule also includes a new code in Line 27 for plans electing the SECURE Act's community newspaper funding relief.

## More changes ahead for future years

DOL will address other recently proposed Form 5500 changes — and associated [public comments](#) — in one or more future notices. These proposals include a new group filing alternative for certain single-employer DC plans, a new schedule for MEP reporting and other changes unrelated to the SECURE Act that would affect retirement and welfare plans starting in 2022. The agency also expects to [propose a broader modernization](#) of financial and annual reporting requirements to make the investment and other information more accessible for data mining.

## Related resources

### Non-Mercer resources

- [Revision of annual information return/report](#) (Federal Register, Dec. 29, 2021)
- [News release](#) (DOL, Dec. 29, 2021)
- [Proposed rule](#) (Federal Register, Sept. 15, 2021)
- [Notice of proposed changes to Form 5500 series](#) (Federal Register, Sept. 15, 2021)
- [Fact sheet](#) (DOL, Sept. 14, 2021)
- [Division O of Pub. L. No. 116-94, the SECURE Act](#) (Congress, Dec. 20, 2019)

### Mercer Law & Policy resources

- [Form 5500 proposal reflects SECURE Act changes and more](#) (Sept. 29, 2021)
- [Retroactive retirement plans can skip first year's Form 5500 filing](#) (Aug. 9, 2021)
- [Rescue plan modifies funding relief for community newspaper plans](#) (April 2, 2021)
- [DOL finalizes pooled plan provider registration requirements](#) (Nov. 20, 2020)
- [Rules for DC multiple-employer plans eased as DOL seeks input on open MEPs](#) (July 31, 2019)

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