

AN ALERT FROM THE BDO COMPENSATION & BENEFITS TAX PRACTICE

BDO KNOWS:

COMPENSATION & BENEFITS



► SUBJECT

CHANGES TO FORM 5500 FILING METHODS REQUIRED BY DOL - ACTION REQUIRED

► OVERVIEW

All Forms 5500 (Annual Return/Report of Employee Benefit Plan), except 2008 plan year filings, are now required to be submitted by the plan sponsor via the Department of Labor's (DOL) new electronic filing system called EFAST 2. Paper copies of the Form 5500, other than 2008 plan year filings, will not be accepted by the government, nor can a third party administrator or accountant file the electronic Form 5500 on behalf of the plan sponsor.

In order to sign the electronic version of the Form 5500 the individual representative of the plan sponsor and/or the plan administrator **MUST** register as a signer in EFAST 2 and obtain his/her unique signing credentials from the DOL Web site. Signing credentials cannot be shared, so if the responsible party changes, the new signer must obtain his/her own signing credentials for EFAST 2. The person who signed last year's Form 5500 you will receive a postcard invitation from the DOL to apply for credentials in the new EFAST 2 system. However, the system is operational now and there is no need to wait.

Form 5500 signers can log on at any time and obtain their credentials at:
www.efast.dol.gov/portal/app/welcome?execution=e1s1

(See chart on following page)

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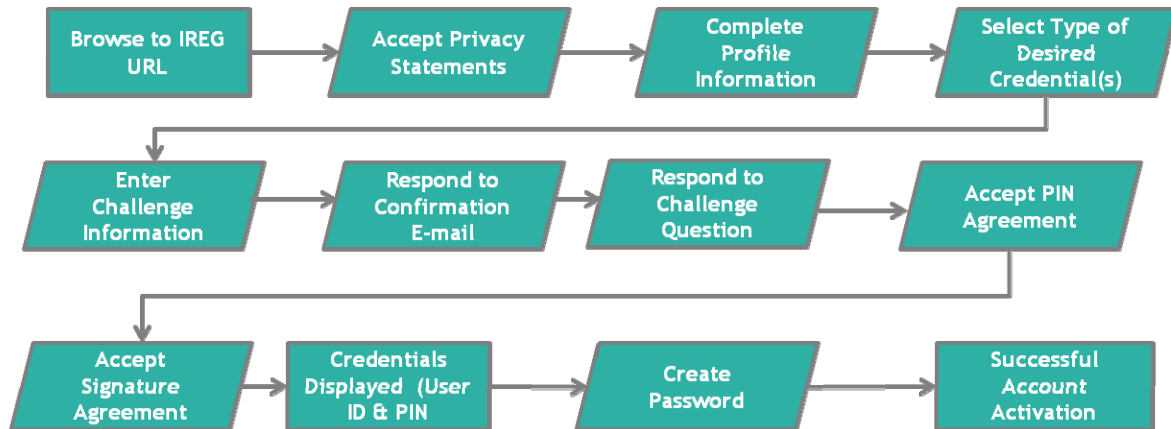
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Internet Registration (IREG)



The registration screens have detailed instructions that walk the user through the process step by step, and the registrant can also view instructional tutorials provided by the DOL by using the link www.efast.dol.gov/training/EFAST2%20Tutorial%20Menu.html and clicking on "Register."

The DOL's new processes and procedures will change how BDO serves its clients. We will need to provide the client with an electronic version of the Form 5500 that can be uploaded into the EFAST 2 system. To that end, the Compensation and Benefits Group has been evaluating Web-based preparation and delivery tools. We expect to finalize our selection by the end of this month and will begin training on the new system in early February.

We recommend that anyone who is responsible for the preparation or signing of Forms 5500 should begin now to become familiar with the new filing requirements by visiting the DOL's Web site or participating in one of the DOL's free webcasts.

To ensure compliance with Treasury Department regulations, we wish to inform you that any tax advice that may be contained in this communication (including any attachments) is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding tax-related penalties under the Internal Revenue Code or applicable state or local tax law provisions or (ii) promoting, marketing or recommending to another party any tax-related matters addressed herein.

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