

PUBLIC SUBMISSION

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PROPOSED IMPLEMENTATION OF SECURE ACT REVISIONS TO FORM 5500
EMPLOYEE BENEFIT PLAN REPORTS

Comment On: EBSA-2021-0006-0002

Annual Information Return/Reports

Submitter Information

Organization: Altigro Pension Services, Inc.

General Comment

This comment is regarding the proposal to change the rules with respect to determining whether a plan can qualify for the small plan audit waiver under 29 CFR 2520.104-51. Currently, any employee eligible to participate in the plan is included in the count irrespective of whether that employee receives any benefits any contributions. The Proposal would modify these rules for defined contribution plans by only including participants and beneficiaries who have an account balance.

Altigro Pension Services agrees with the proposed change. The current rules have resulted in plans with a similar number of participating employees being treated quite differently. This inconsistency will only be exacerbated when long-term part-time employees become eligible to participate. Many smaller employers may choose to terminate their plan if forced to pay a \$10,000 to \$15,000 plan audit fee due to the increase of part-time employees participating in the plan. The proposed change will provide small employers with reasonable costs and administration and encourage new plans.

We agree with the proposed change to the participant count so that only participants and beneficiaries with account balances are considered active participants for purposes of qualifying for the small plan audit waiver.