

## Deadline Looms to File Form 8822-B to Report a Change in Your Retirement Plan's Responsible Party

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Last year, the IRS issued final regulations requiring entities with employer identification numbers (EINs) to update their responsible party information with the IRS. This requirement became effective on January 1, 2014. Beginning on this date, any entity with an EIN, which according to the IRS includes an employer in its role as a plan sponsor, must report a change in the identity of its "responsible party" on Form 8822-B, Change of Address or Responsible Party - Business, within 60 days of the change.

Importantly, the IRS has indicated that if the change was made before 2014, and a sponsor has not previously reported the change, the sponsor should file Form 8822-B prior to March 1, 2014 to report the most recent change. Given the time of the year, plan sponsors will be relieved to know that while Form 8822-B is mandatory with respect to a change of a responsible party, plan sponsors are not currently subject to penalties for a failure to file this form. The form is straightforward and does not require a great deal of information. It merely requires the responsible party's identifying information (e.g., the new and old responsible party's name, address, and EIN).

According to the IRS, for retirement plans, a "responsible party" is the person who has a level of control, directly or indirectly, over the funds or assets in the retirement plan that, as a practical matter, enables the individual, directly or indirectly, to control, manage, or direct the plan and the disposition of its funds and assets. This would typically be the plan administrator or fiduciary of the plan.

The purpose of this new reporting requirement is to enhance the IRS's ability to maintain accurate information and to prevent unnecessary delays by allowing the IRS to contact the correct person when resolving tax matters. The IRS has noted that the listing of individuals who are no longer associated with an entity prevents the IRS from gathering and maintaining correct and current information with respect to responsible parties.

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