

## Examination Referral Checksheet A

(To be completed by DOL Investigators for referral of plans subject to Title II of ERISA to the IRS)

Employer/Sponsor Name and Address		Plan EIN/PN		
Plan Name		Plan Year Examined		
Address of Plan Books and Records		DOL Case Number		
<b>Plan Explanation</b>		<b>(Circle one response.)</b>		
1. Have all required Form 5500 series returns, including appropriate schedules been filed timely?		N/A	Yes	No
2(a). Has a favorable determination letter (or opinion letter in the case of a master or prototype plan) been issued after December 31, 2000?		N/A	Yes	No
2(b). Has a substantive amendment (not including IRS Model Amendments) been made to the plan since the date of the most recent determination letter (or opinion letter, if applicable)?		N/A	No	Yes
3(a). If the plan is being or has been terminated, has the employer filed Form 5310 requesting a determination letter on the qualification of the plan upon termination?		N/A	Yes	No
3(b). If there was a reversion, was a Form 5330 timely filed to report the reversion? Enter the amount of the reversion _____		N/A	Yes	No
4. Was there a merger, spin-off or a transfer from a defined benefit plan to a defined contribution plan?		N/A	No	Yes
5(a). Is there any indication that the plan has been operated in a manner that resulted in discrimination in favor of the highly compensated employees?		N/A	No	Yes
5(b). Is there a pattern of employer-initiated termination of nonhighly compensated employees before they are vested in their accrued benefits?		N/A	No	Yes
6. Are there any indications that the minimum funding requirements of IRC 412 are not satisfied?		N/A	No	Yes
7. Is there any indications that a prohibited transaction subject to the tax in IRC 4975(a) has occurred between the plan and a <u>disqualified person</u> ? (Answer "yes" only if the transaction is not covered by a statutory exemption under IRC 4975(d) or if the terms of an administrative exemptions have not been complied with.)		N/A	No	Yes
8(a). If contributions are in the form of assets other than cash: (a) Does the plan document provide for contributions in kind?		N/A	Yes	No
8(b). Are such contributions valued at fair market value?		N/A	Yes	No
9. Are all trust assets valued annually at fair market value?		N/A	Yes	No
10. Is there any other issue that would require referral? (Explain in Remarks below.)		N/A	No	Yes
Remarks		<b>Action Taken by IRS</b>		
		<input type="checkbox"/> No action planned <input type="checkbox"/> IRS Examination Planned <input type="checkbox"/> Additional Information Requested		
Date Mailed to IRS		Date Mailed to Regional Director/District Supervisor		
Auditor/Investigator (DOL)		Regional Office		Phone No.
<input type="checkbox"/> IRS Participation Requested		Signature of Regional Director		
		Name of Reviewer: _____ Phone No.: _____		

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## Instructions for Completing Checksheet A

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### General Instructions for Checksheet A

1. All questions on this checksheet must be answered. Answers which fall into the rightmost column will require referral of this plan to IRS with the exception of questions 2(a), 2(b) and 3(a), where referral is discretionary. Only plans subject to Title II of ERISA (e.g., qualified plans described in IRS 401(a) should be referred to the IRS.
2. "Action Taken by IRS" block should be completed as required in Part II.D.3. of the IRS/DOL coordination agreement.
3. Referral checksheets are to be signed by the Regional Director.

### Specific Instructions

- 1) See filing instructions for Form 5500 for a summary of filing requirements for Employers and Plan Administrators. Those instructions also outline filing requirements for schedules A, B and SSA required with Form 5500.
- 2) A previously approved master or prototype plan will be evidenced by an opinion letter containing an eight character serial number provided by the IRS. A substantive plan amendment is one that could, by itself, affect plan qualification. For this purpose, a substantive amendment to the plan would not include the adoption of model amendments published by IRS [e.g., model amendments provided for direct rollovers under IRC 401(a)(31), and model amendments relating to the compensation limitation under IRC 401(a)(17)]. If the substantive amendment has not been the subject of a favorable determination letter, include a copy of the amendment with the referral.
- 3) Terminations are indicated by plan amendments to that effect, by indication on Form 5500 series returns, and by ceasing plan contributions. The plan sponsor or administrator should be interviewed concerning determination letters requested on a termination. In the instance of a reversion, the Form 5330 must be filed by the last day of the month following the month in which the reversion occurred.
- 4) Inquire of Plan officials concerning plan mergers, spin offs, or transfers of assets from a qualified defined benefit plan to a qualified defined contribution plan. IRC 6057(b)(4) requires notification. The Form 5310-A must be filed at least 30 days before the plan merger, consolidation, or transfer of plan assets or liabilities.
- 5) A referral should be made only if the transaction was between the plan and a disqualified person as defined in IRC 4975(e)(2). The question should be answered "yes" and referred even if voluntary compliance has been achieved by DOL. If the prohibited transaction amount is under \$20,000, only a copy of
  - a) the Closing or VC letter describing the transaction and a copy of the ROI (without attachments) needs to be attached to the Form 6212-A. If the prohibited transaction amount is \$20,000 or greater, the following items must accompany the referral:
    - a) Copy of Form 5500 series return for all years in which a prohibited transaction was in effect.
    - b) Available information about taxpayer/disqualified person including EIN/SSN, address, educational level, and possible name changes.
    - c) Copy of plan and trust documents if either Question 2(a) or 2(b) is answered "No".
    - d) Copy of all DOL correspondence related to the referred issue.
    - e) Copy of the Report of Investigation and related work papers.
    - f) Description of current status of prohibited transaction, including possible corrective action.
    - g) DOL closing letter or voluntary compliance letter is applicable, prepared in accordance with section D.5(g) of Part II of the coordination agreement.
    - h) Disqualified person's position regarding the prohibited transaction if known.
    - i) Information in DOL's possession concerning the disqualified person's filing or intent to file for bankruptcy.
    - j) Any other information that documents the reason for the referral.
- 6) Indicate in the remarks section the reasons that contributions are believed to be made at less than FMV.

### Instructions for IRS Personnel

1. "Action Taken by IRS" block should be completed as required in Part II.D.3 of the IRS/DOL Coordination Agreement.
2. If item 3(b) is answered "No", or items 6 or 7 are answered "Yes", IRS personnel must indicate in "Remarks" the amount of excise tax assessed under IRC 4971(a) and/or (b), 4975 or 4980; or, the reason for not assessing excise tax.
3. Complete "Date Mailed to Regional Director".