

Instructions for Form 5307

(Revised July 1987)

Short Form Application for Determination for Employee Benefit Plan

(Section references are to the Internal Revenue Code unless otherwise noted.)

General Information

Paperwork Reduction Act Notice.—We ask for this information to carry out the Internal Revenue laws of the United States. We need it to determine whether you meet the legal requirements for plan approval. If you want to have your plan approved by IRS, you are required to give us this information.

You may request an advance determination from the Internal Revenue Service for the qualification of a defined benefit plan or a defined contribution plan and the exempt status of any related trust.

The application is open to public inspection if there are more than 25 participants. Therefore, it is important that the total number of participants be shown on line 17(l). See the Specific Instructions for definition of "participant."

General Instructions

Determination applications are now screened for completeness by computer. For this reason, it is important that an appropriate response be entered for each line item (except as indicated in 5, below). **In completing the application, be sure to pay careful attention to the following:**

1. N/A (not applicable) is accepted as a response only if an N/A block is provided.
2. If an item requests a numeric response, a numeric response must be entered.
3. If an item provides a choice of boxes to be checked, only one box should be checked unless instructed otherwise.
4. If an item provides a box or boxes to be checked, written responses are not acceptable.
5. If the Church or Governmental plan box is checked for line 5, certain line items may not need to be completed. In this regard, please refer to the heading on page 1 of the form to determine which items to complete if this application is for a church or governmental plan.

A. Who May File.—This form may be filed by a plan sponsor who has adopted a master or prototype plan that was approved by the National Office, or a uniform plan that was approved by a key District Director. It may also be used by a plan sponsor who has adopted any other plan that has been approved by the key District Director to whom this application is submitted, but only if the key District Director has approved the use of this form for that plan.

If a plan sponsor adopts a master or prototype standardized plan and has had another qualified plan, adopts one or more nonstandardized plans, or adopts a master or prototype standardized plan and any other qualified plan, then an application for a determination letter must be filed by the plan sponsor (see Rev. Proc. 84-23, 1984-1 C.B. 457).

This form may not be used for collectively bargained plans.

B. What To File.—Whether the application is for an initial qualification or for an amendment, attach a completed **Form 5302**, Employee Census, and a copy of the joinder agreement. **Schedule T (Form 5300)**, Supplemental Application for Approval of Employee Benefit Plans Under TEFRA, TRA 1984, REA, and TRA 1986, must be attached to each application except: (1) adopters of master or prototype plans who received favorable opinion letters after June 19, 1984, that have only one plan; or (2) adopters of uniform plans who received notification letters after December 31, 1984, the effective date of Rev. Proc. 84-86, that have only one plan.

A copy of the opinion letter or notification letter should be filed with the application.

A copy of the plan or trust instrument should not be filed with this application. However, the key district office may request additional information if the application and attachments do not contain enough information to make a determination. For plans of controlled groups of corporations, trades or businesses under common control, and affiliated service groups, submit the documents and statements listed above. In addition, attach a list of the member employers. Explain in detail their relationship, the types of plans each member has and the plans common to all member employers. (See instructions for line 17.)

C. Where To File.—

(i) **Single-Employer Plans.**—Send the forms to the key District Director for the district in which the employer's or employee organization's principal place of business is located.

(ii) **Plan Maintained by More Than One Employer.**—Send the forms to the key District Director for the district in which the principal place of business of the plan sponsor is located. This means the principal place of business of the association, committee, joint board of trustees, or other similar group of representatives of those who established or maintain the plan.

If the principal office of the plan sponsor is located in the following IRS District:

Cincinnati, Cleveland, Detroit, Indianapolis, Louisville, or Parkersburg

Baltimore, Pittsburgh, Richmond, any U.S. possession or foreign country

Chicago, Aberdeen, Des Moines, Fargo, Helena, Milwaukee, Omaha, Springfield, St. Louis, or St. Paul

Atlanta, Birmingham, Columbia, Greensboro, Jackson, Jacksonville, Little Rock, Nashville, or New Orleans

Dallas, Albuquerque, Austin, Cheyenne, Denver, Oklahoma City, Houston, Phoenix, Salt Lake City, or Wichita

Los Angeles, Honolulu, or Laguna Niguel

San Francisco, Las Vegas, Sacramento, or San Jose

Seattle, Anchorage, Boise, or Portland

Send your application to the address below:

EP/EO Division
P.O. Box 3159
Cincinnati, OH 45201

IRS, EP/EO Division
P.O. Box 17010
Baltimore, MD 21203

IRS, EP/EO Division
P.O. Box C-9050, GPO
Brooklyn, NY 11202

IRS, EP/EO Division
P.O. Box 941, Room 310
Atlanta, GA 30370

IRS, EP/EO Division
1100 Commerce Street
Mail Code 306
Dallas, TX 75242

IRS
EP Application Receiving
P.O. Box 486
Los Angeles, CA
90053-0486

IRS, EP/EO Division
Box 36040, Stop 3-2-29
450 Golden Gate Ave.
San Francisco, CA 94102

IRS, EP/EO Division
915 Second Ave.
Mail Stop 554
Seattle, WA 98174

D. Disclosure Requested by Taxpayers.—A taxpayer may request IRS to disclose and discuss his or her return and/or return information with any person(s) the taxpayer designates in a written request. If you want to designate a person or persons to assist in matters relating to an application for a determination, you must give the IRS office of jurisdiction a written statement that must contain:

1. Your name, address, employer identification number, and plan numbers.
2. A paragraph that clearly identifies the person or persons you have authorized to receive the return and/or return information. This must include the name, address, telephone number(s), and social security number(s) of the authorized person(s).
3. A paragraph that clearly and explicitly describes the return and/or return information that you authorize IRS to disclose.
4. Your signature as the taxpayer making the authorization.

As an alternative to providing the above statement, you may submit **Form 2848**, Power of Attorney and Declaration of Representative, or **Form 2848-D**, Tax Information Authorization and Declaration of Representative.

Specific Instructions

1a. Enter the name and address of the plan sponsor. If a plan covers only the employees of one employer, "plan sponsor" means the employer. For plans maintained by two or more employers (other than a plan sponsored by two or more members of a controlled group of corporations), plan sponsor means the association, committee,

joint board of trustees or other similar group of representatives of those who established or maintain the plan. For a plan sponsored by two or more members of a controlled group of corporations, plan sponsor means one of the members participating in the plan. This should be the same name that was used or will be used when Form 5500 series returns/reports are filed for the plan.

2a. Enter the nine-digit employer identification number (EIN) assigned to the plan sponsor. This should be the same EIN that was used or will be used when Form 5500 series returns/reports are filed for the plan.

2b. Complete for single-employer plans. For plans of more than one employer, check the "N/A" block.

3. See the instructions under "Disclosure Requested by Taxpayers," above.

4a. You must check box (i) or (ii). If the plan or amendment was executed, enter the date signed. If a determination is requested based on a proposed plan or amendment, enter "9/9/99."

4a(iii). Enter the folder number if shown on the last determination letter for this plan.

4b. Section 3001 of the Employee Retirement Income Security Act of 1974 states that the applicant must provide evidence that each employee who qualifies as an interested party has been notified of the filing of the application. If you check "Yes," it means that you have notified each employee as required by regulations under section 7476. Rules defining "interested parties" and providing for the form of notification are contained in the regulations. An example of an acceptable format can be found in Rev. Proc. 80-30, 1980-1 C.B. 685.

5. Check only one box. A single-employer plan is a plan that is maintained by one employer. See sections 414(b), (c), and (m) for definitions of entities other than single employer.

6a. Enter the name you designated for your plan.

6b. You should assign a three-digit number, beginning with "001" and continuing in numerical sequence, to each plan you adopt. This numbering will differentiate your plans. Enter your three-digit number here. The number that is assigned to a plan must not be changed or used for any other plan.

6c. Plan year means the calendar, policy, or fiscal year on which the records of the plan are kept.

7a(i). Check for a master or prototype plan identified by letter serial number prefixed by a letter.

7a(iii). Check for a uniform plan identified by a notification letter number prefixed by a letter. Rev. Proc. 84-86, 1984-2 C.B. 787, sets forth procedures for issuing notification and determination letters relating to the qualification of uniform plans.

7b. Enter the appropriate letter serial number or notification letter number, e.g., A300001A.

11. You are required to notify all employees of the existence of a benefit plan and the important provisions of that plan. (See Rev. Rul. 71-90, 1971-1 C.B. 115.)

12. Attach a schedule of compliance with Rev. Rul. 71-446, 1971-2 C.B. 187.

14a. Your plan(s) must meet the section 415 limitations by the effective dates prescribed by law.

14b. If you maintain any other qualified plan(s), attach a list for each plan which includes the following information: name of plan, type of plan, form of plan (standardized or nonstandardized) and indicate if the plan is paired, rate of employer contributions, allocation formula, benefit formula or monthly benefit, and number of participants (if paired, indicate the letter serial number of the paired plan).

16. If the plan sponsor is a member of an affiliated service group as defined in section 414(m), all employees of the affiliated service group members will be treated as employed by a single employer for purposes of certain qualification requirements such as coverage. See Rev. Proc. 85-43, 1985-2 C.B. 501, for procedures on submission to the key district office for a determination letter on the effect of section 414(m). Also see Rev. Rul. 81-105, 1981-1 C.B. 256, regarding the application of section 414(m).

16a(ii) and (iii). If you or any member (or possible member) of the affiliated service group received a ruling or determination letter regarding section 414(m), attach a copy of the letter to the application. If you are uncertain as to whether or not you are a member of an affiliated service group and no affiliated service group ruling or determination letter is available, or if the facts have changed since the ruling or determination letter was issued, attach the following information:

(1) A description of the nature of the business of the employer, specifically discussing whether it is a service organization or an organization whose principal business is the performance of management functions for another organization, including the reasons therefor;

(2) The identification of other members (or possible members) of the affiliated service group;

(3) A description of the nature of the business of each member (or possible member) of the affiliated service group describing the type of organization (corporation, partnership, etc.) and indicating whether such member is a service organization or an organization whose principal business is the performance of management functions for the other group member(s);

(4) The ownership interests between the employer and the members (or possible members) of the affiliated service group (including ownership interests as described in section 414(m)(2)(B)(ii));

(5) A description of the services performed for the employer by the members (or possible members) of the affiliated service group, or vice versa (including the percentage of each member's or possible member's gross receipts and service receipts provided by such services, if available, and data as to whether the services are a significant portion of the member's business) and whether or not, as of December 13, 1980, it was unusual for the services to be performed by employees of organizations in that service field in the United States;

(6) A description of how the employer and the members (or possible members) of the

affiliated service group associate in performing services for other parties.

(7) A description of management functions, if any, performed by the employer for the member(s) (or possible member(s)) of the affiliated service group or received by the employer from any other member(s) (or possible member(s)) of the group (including data as to whether such management functions are performed on a regular and continuing basis) and whether or not it is unusual for such management functions to be performed by employees of organizations in the employer's business field in the United States;

(8) If management functions are performed by the employer for the member(s) (or possible member(s)) of the affiliated service group, a description as to what part of the employer's business constitutes the performance of management functions for the member(s) (or possible member(s)) of the group (including the percentage of gross receipts derived from management activities as compared to the gross receipts from other activities);

(9) A brief description of any other plan(s) maintained by the members (or possible members) of the affiliated service group if such other plan(s) is designated as a unit for qualification purposes with the plan for which a determination letter has been requested;

(10) A description of how the plan(s) satisfies the coverage requirements of section 410(b) if the members (or possible members) of the affiliated service group are considered part of an affiliated service group with the employer.

17. Enter the total number of employees as of the date given on line 17. Members of a controlled group of corporations, commonly controlled employers (whether or not incorporated), or affiliated service groups must include all the employees of the entire group in line 17. Total employees should include any individual considered a leased employee of the employer within the meaning of section 414(n).

17b(ii). Section 410(b)(3)(A) provides that a plan may exclude certain employees who are included in a unit of employees covered by an agreement which the Secretary of Labor finds to be a collective bargaining agreement between employee representatives and one or more employers, if there is evidence that retirement benefits were the subject of good faith bargaining between the employee representatives and the employer or employers.

17b(iii). Section 410(b)(3)(C) provides that a plan may exclude nonresident alien employees who receive no earned income from the employer that is income from sources within the United States.

17k. The percentage test of section 410(b)(1)(A) is met if, and only if: (1) line i is 70% or more; or (2) line j is 70% or more, and line k is 80% or more.

If the plan does not meet the percentage test, you must submit a schedule using the format on the next page to show that the plan meets the requirements of section 410(b)(1)(B). The question of acceptable classification is a continuing one and must be met in all later years as well. You should review your classification at the time you submit your annual return/report.

1		2	3	4	5
*Compensation range		Employees not excluded (See note)	Employees ineligible to participate	Employees participating	Participants who are officers or shareholders
At least	But not more than				
Totals					

*The compensation brackets used must reflect the pay pattern of the employer.

Note: Enter in column 2 the total number of employees less exclusions under section 410(b)(3) if provided in the plan.

17. The term "participant" includes retirees and other former employees and the beneficiaries of both who are receiving benefits under the plan or will at some future date receive benefits under the plan. The figure to enter on this line is the total of: (1) the number of employees who are participating in the plan, (2) former employees who are receiving benefits under the plan or will at some future date receive benefits under the plan, and (3) beneficiaries of former employees who are receiving benefits under the plan. (This means one beneficiary for each former employee regardless of the number of

individuals receiving benefits. For example, payment of a former employee's benefit to three children is considered as a payment to one beneficiary.)

18. If box b, c, d, or f is checked and the vesting schedule is less rapid than 18e, submit a schedule of turnover of employees or provide enough facts upon which a determination can be made that the vesting schedule of the plan is satisfactory. See Rev. Proc. 76-11, 1976-1 C.B. 550. Uniform plans must provide for a vesting schedule which is at least as favorable as the top-heavy schedule set forth in section 416(b)(1)(A) or (B).

Caution

The following Procedural Requirements Checklist identifies certain basic data that will facilitate the processing of your application. While no response is required to the questions, you may find that answering them will ensure that your application is processed without the need for contact to obtain missing information. If the answer to any of the questions is "No," your application may be incomplete. **Incomplete applications are identified through a computer screening system for return to the applicant.**

Procedural Requirements Checklist

	Yes	No	N/A
1. General requirements			
a If this application is made by a representative on behalf of the plan sponsor or plan administrator, has a current power of attorney been submitted with this application?			
b If notices or other communications are to be sent to someone other than the plan sponsor, have you provided proper authorization by attaching a completed Form 2848, 2848-D, or statement that contains all the information required?			
c Have you completed and attached Form(s) 5302?			
d Have you signed the application?			
e If applicable, have you completed and attached Schedule T (Form 5300)?			
2. Specific requirements			
a Have you attached an executed adoption agreement?			
b Have you attached a copy of the opinion or notification letter issued for the plan you adopted?			
c If this application is for the adoption of a uniform plan, have you attached a certification that the notification letter has not been withdrawn and is still in effect for the plan being submitted?			
d For a plan adopted by one or more members of a controlled group:			
(i) Have you attached the information outlined in General Instruction B?			
(ii) Have you completed line 17 according to the Specific Instructions?			
e For a plan that is or may be sponsored by a member of an affiliated service group:			
(i) Have you completed lines 16 and 17 according to the Specific Instructions?			
(ii) Have you attached the information requested in the instructions for lines 16a(ii) and (iii)?			
3. Miscellaneous requirements			
a Have you entered the plan sponsor's 9-digit employer identification number in line 2a?			
b Have you checked the appropriate block in line 4?			
c Have you entered the effective date of the plan in line 9?			