

**SCHEDULE F
(Form 5500)**

Fringe Benefit Plan Annual Information Return

OMB No. 1210-0016

Under Section 6039D of the Internal Revenue Code

1997

▶ **File as an attachment to Form 5500 or 5500-C/R.**

**This Form is NOT
Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

▶ **For Paperwork Reduction Act Notice, see the Instructions for Form 5500 or 5500-C/R.**

For the calendar plan year 1997 or fiscal plan year beginning _____, 1997, and ending _____, 19

| | | | |
|--|--|-----------------------------------|--|
| 1a Name of plan sponsor as shown on line 1a of Form 5500 or 5500-C/R | | 1b Employer identification number | |
| 1c Plan name | | 1d Three-digit plan number ▶ | |

- 2 Check the Internal Revenue Code section that describes this fringe benefit plan:
 125 (Cafeteria plan) 127 (Educational assistance program)
- 3 Enter the total number of employees of the employer _____
- 4 Enter the total number of employees eligible to participate in the plan _____
- 5 Enter the total number of employees participating in the plan. (See instructions.) _____
- 6 Enter the total cost of the fringe benefit plan for the plan year. (See instructions.) _____
- 7 Did the fringe benefit plan terminate in this plan year? (See instructions.) Yes No

General Instructions

A Change To Note

The Taxpayer Relief Act of 1997 retroactively extends Code section 127, which was set to expire on May 31, 1997. For tax years beginning after 1996, the Code section 127 exclusion is allowed for expenses paid for undergraduate courses that begin before June 1, 2000.

Employers who have questions about the retroactive extension of this provision, including how to file for a refund for any overpaid social security, medicare, and unemployment taxes can call 1-800-829-1040 for assistance. Also get **Circular E**, Employer's Tax Guide, for additional information.

Purpose of Form

File Schedule F (Form 5500) for the following fringe benefit plans:

- A cafeteria plan described in Code section 125,
- An educational assistance program described in Code section 127.

Note: Do not file Schedule F for an educational assistance program that provides only job-related training, which is deductible as an ordinary and

necessary business expense under Code section 162.

Fringe benefit plans filing only to satisfy the requirements of Code section 6039D(a) must complete page 1, Form 5500 (or Form 5500-C/R), lines 1a through 5c, check box 6d, and attach Schedule F (Form 5500). Page 1 of Form 5500 (or Form 5500-C/R) and Schedule F are filed as the plan's annual information return. **Do not** file Schedule A, B, C, E, P, or SSA.

Employers filing the same Form 5500 (or Form 5500-C/R) for both a welfare benefit plan and a fringe benefit plan must complete all the welfare and fringe benefit plan questions on Form 5500 (or Form 5500-C/R), check box 6a and box 6d, and attach Schedule F (Form 5500).

Specific Instructions

Line 5. For purposes of Code section 6039D, fringe benefit plan "participant" means any individual who, for a plan year, has had at least \$1 excluded from income by reason of Code section 125 or 127.

Line 6. The total cost of the fringe benefit plan includes:

- The amount employees elect to have an employer contribute to

provide for the benefits under the plan. For a Code section 125 cafeteria plan, enter the amount of the salary reductions and other employer contributions. Other employer contributions include nonelective contributions and flexible credits. Nonelective contributions and employer flexible credits are the employer's portion of the cost or premium contributed as employer-provided coverage under a cafeteria plan arrangement. Do not subtract benefits paid out from the plan and amounts forfeited.

- Administrative expenses including any legal, accounting, or consulting fees attributable to the plan, whether paid directly by the employer or through the plan. Overhead expenses such as utilities and photocopying costs are not to be included for this reporting purpose.

Line 7. Do not complete this line if the return/report is filed for **both** a welfare plan and a fringe benefit plan and **both** plans have terminated during this plan year. Enter the termination information on lines 9a and 9b of the applicable Form 5500 or Form 5500-C/R.

