

**SCHEDULE F  
(Form 5500)**

**Fringe Benefit Plan Annual Information Return**

OMB No. 1210-0016

**Under Section 6039D of the Internal Revenue Code**

**1996**

► **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 page 1 of the Instructions for Form 5500 or 5500-C/R.**

For the calendar plan year 1996 or fiscal plan year beginning \_\_\_\_\_, 1996, 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 Small Business Job Protection Act of 1996 retroactively extends Code section 127, which had previously expired on December 31, 1994. The exclusion will expire again for taxable years beginning after May 31, 1997. Also, for taxable years beginning in 1997, the exclusion allowed by Code section 127 will not be applicable to any course beginning after June 30, 1997. The educational assistance exclusion is not applicable to graduate level courses starting after June 30, 1996. See section 5 of Pub. 15-A for more information.

Employers who have questions about the retroactive extension of this provision, including how to file for a refund for any 1995 or 1996 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. 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.

