

**Proposed Line 14 of Schedule R (2020 Form 5500)**

**Revised line 14**

<p><b>14</b> Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:</p> <p><b>a</b> The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: <input type="checkbox"/> last contributing employer <input type="checkbox"/> alternative <input type="checkbox"/> reasonable approximation (see instructions for required attachment) .....</p> <p><b>b</b> The plan year immediately preceding the current plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment) .....</p> <p><b>c</b> The second preceding plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....</p>	<b>14a</b>	
	<b>14b</b>	
	<b>14c</b>	

**Revised instructions for line 14**

**Line 14.** Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan. Generally, if there has been a prior withdrawal, unless all former vested participants of the withdrawn employer have been reemployed with a currently contributing employer, this line should not be zero. Plans must use one of the following counting methods to count these inactive participants.

1. Under the *last contributing employer method*, count only those inactive participants whose last contributing employer had withdrawn from the plan by the beginning of the relevant plan year. Disregard any inactive participants whose most recent employers had not withdrawn from the plan. Thus, for the limited purposes of line 14 and notwithstanding any contrary definition of such inactive participants applicable elsewhere, inactive participants of employers who have not withdrawn from the plan should not be included in these numbers;

2. Under the *alternative method* count only those inactive participants whose last contributing employer and all prior contributing employers had withdrawn from the plan by the beginning of the relevant plan year. Under this method, the plan would review the list of all contributing employers (employers that had not withdrawn from the plan by the beginning of the relevant plan year), and include on Line 14 only those inactive participants who had no covered service with any of these employers;

3. Under the *reasonable approximation method*, a plan that is unable to use the last contributing employer method or the alternative method, must make a reasonable, good faith effort to count inactive participants to satisfy the requirements of section 103(f)(2)(C) of ERISA and provide an attachment that explains the plan’s approximation method. The explanation must include a description of the data and a breakdown describing the number of clearly identified inactive participants and the number of estimated inactive participants.

**Note.** Withdrawal liability payments are not to be treated as contributions for the purpose of determining the number of inactive participants for line 14.

**Line 14a.** Enter the number of inactive participants described in the line 14 instructions for the current plan year. The current plan year is the plan year to which the Form 5500 relates.

**Line 14b.** Enter the number of inactive participants described in the line 14 instructions for the

plan year immediately preceding the current plan year. Check the box if the number reported on line 14b differs from the number reported on line 14a for the plan year immediately preceding the current plan year. If the box is checked, provide an attachment with an explanation of the reason for the change.

**Line 14c.** Enter the number of inactive participants described in the line 14 instructions for the second preceding plan year. Check the box if the number reported on line 14c differs from the number reported on line 14b for the plan year immediately preceding the current plan year. If the box is checked, provide an attachment with an explanation of the reason for the change.

For any required attachment for line 14, label the attachment ***“Schedule R, Line 14 – Information on Inactive Participants Whose Contributing Employer is No Longer Making Contributions to the Plan”***.

Proposed