

LEGAL UPDATE

IRS Suspends Notices to Filers of Forms 5500, 990 and Others

On March 22, 2022, the IRS [announced](#) it will temporarily stop sending written notices to certain entities that fall behind on filing obligations related to Forms 5500, 990 and others. The IRS usually mails these notices to tax-exempt or governmental entities in case of a delinquent return.

IRS Backlog

The IRS is currently experiencing a backlog of over several million unprocessed returns due to the COVID-19 pandemic. This backlog involves returns filed by both individuals and entities. According to the agency, the suspension of notices will help avoid confusion when a filing is still in process.

Duration of Notice Suspension

The IRS indicated that it would continue to assess its inventory of pending returns to determine the appropriate time to resume mailing the suspended notices. Meanwhile, some taxpayers and tax professionals may still receive the notices over the next several weeks.

Affected Notices

The suspension applies to the following 10 notices:

- Reminder Notice About Your Form 5500-EZ or 5500-SF Filing Requirement
- Form 940 Not Required—Federal, State, and Local Government Agencies
- First Taxpayer Delinquency Investigation Notice—Forms 990/990EZ/990N, 990PF, 990T, 5227, 1120-POL, and 990/990EZ
- First Delinquency Notice—Forms 5500 and 5500-SF
- Second Delinquency Notice—Form 5500

Entities affected by the suspension should ensure their procedures for timely filing returns do not rely on any of these notices.

Important Information

Notice Suspension

The IRS announced it is suspending its usual practice of notifying certain entities of a failure to meet a filing obligation.

Affected Entities

The suspension affects tax-exempt and governmental entities subject to filing Forms 5500, 990 and others.

No Relief From Filing Rules

The suspension does not relieve entities from any filing deadlines or obligations. Instead, affected entities must ensure they meet all requirements without these notices.

Filers of Forms 5500, 990 and others will not receive notice if they fail to meet filing requirements.