

Transfers, Rollovers, Direct Rollovers and Other Movements of IRAs and Other Funds

8:30am CST or 12:30pm CST



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Transfers, Rollovers and Direct Rollovers

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Overview of the Webinar

Goals –

- Understanding role and duties of the IRA custodian/trustee
- Understand the role and duties of the IRA owner
- Learn basics to prevent unwanted situations
- Learn basics to assist your customers

Duties and Responsibilities with Respect to Rollovers & Transfers

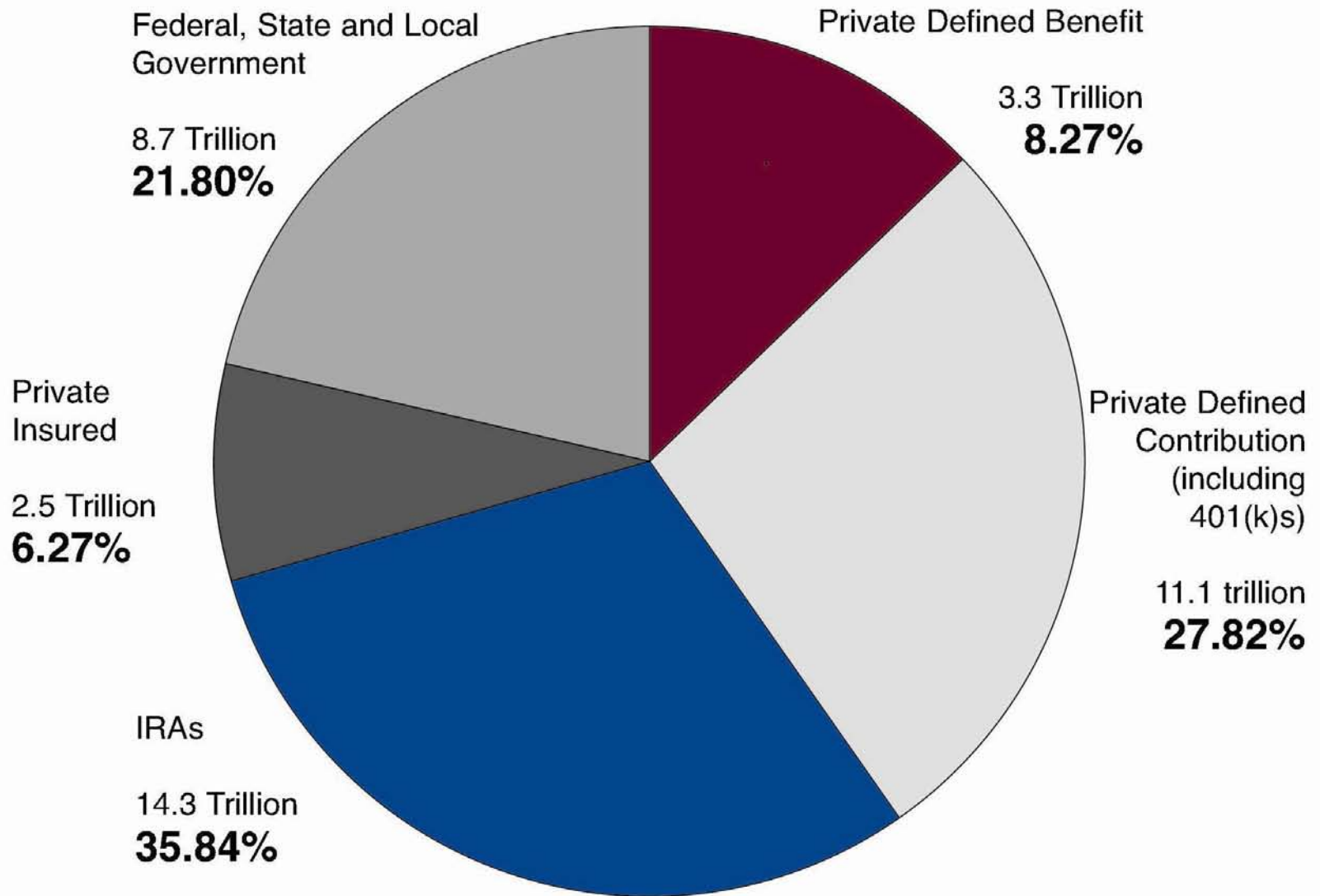
1. The Individual
2. The IRA custodian
3. The 401(k) trustee & advisers

Rollovers and Transfers are complicated for many reasons. Many Rollover laws.

Rollover Statistics

Sources of Estimated Total U.S. Retirement Plan Assets, March 31, 2024

(Total 39.9 Trillion)



IRAs and Pension Plans are important

Rollovers from 2016-2020 are estimated to be 2.4 trillion.

Annually the average is \$400 billion.

Average Rollover is \$92,000 - \$110,000

End-of-Year Fair Market values for IRAs for 2020

Tax Year 2020 IRA Statistics - What at the FMVs of the four (4) IRA types

IRA Type	No. of IRAs Taxpayers*	FMV	% of Total	Average Balance
Traditional	50,723,742	\$10,721,941,736,000	84.70%	\$211,379
Roth	23,604,965	\$1,233,129,905,000	9.74%	\$52,240
SEP	3,077,669	\$537,090,232,000	4.23%	\$174,512
SIMPLE	3,249,774	\$169,041,120,000	1.33%	\$52,016
Total	64,950,758	\$12,661,202,993,000	100.00%	\$194,935

* Note a taxpayer may have multiple IRAs.

Observations - FMV

1. There was 12.66 trillion in IRAs as of 12/31/2020. 94.4% was in traditional IRAs and Roth IRAs with 84.9% in traditional IRAs and 9.74% in Roth IRAs.
2. The average IRA balance is \$194,935.
3. The average balance of a traditional IRA is \$211,379.
4. The average balance of a SEP-IRA is \$174,512.
5. The average balance of a Roth IRA is \$52,240.
6. Assuming an average tax rate of 25%, the U.S. Treasury looks to collect taxes of \$2.857 trillion.
7. In general, the funds in traditional IRAs, SEP-IRAs and SIMPLE-IRAs are taxable when withdrawn, but the funds withdrawn from a Roth are generally not taxable.

Annual and Rollover contributions – 2020

What contributions were made for 2020 to the four IRA types

IRA Type	Number of IRAs/ Taxpayers*	Contribution Amount	Average Contribution
Traditional	4,961,960	\$22,134,356,000	\$4,461
Roth	9,210,723	\$32,982,423,000	\$3,581
SEP	1,079,797	\$16,493,166,000	\$15,274
SIMPLE	2,065,357	\$11,552,433,000	\$5,593
Total	16,478,290	\$83,162,378,000	\$5,047

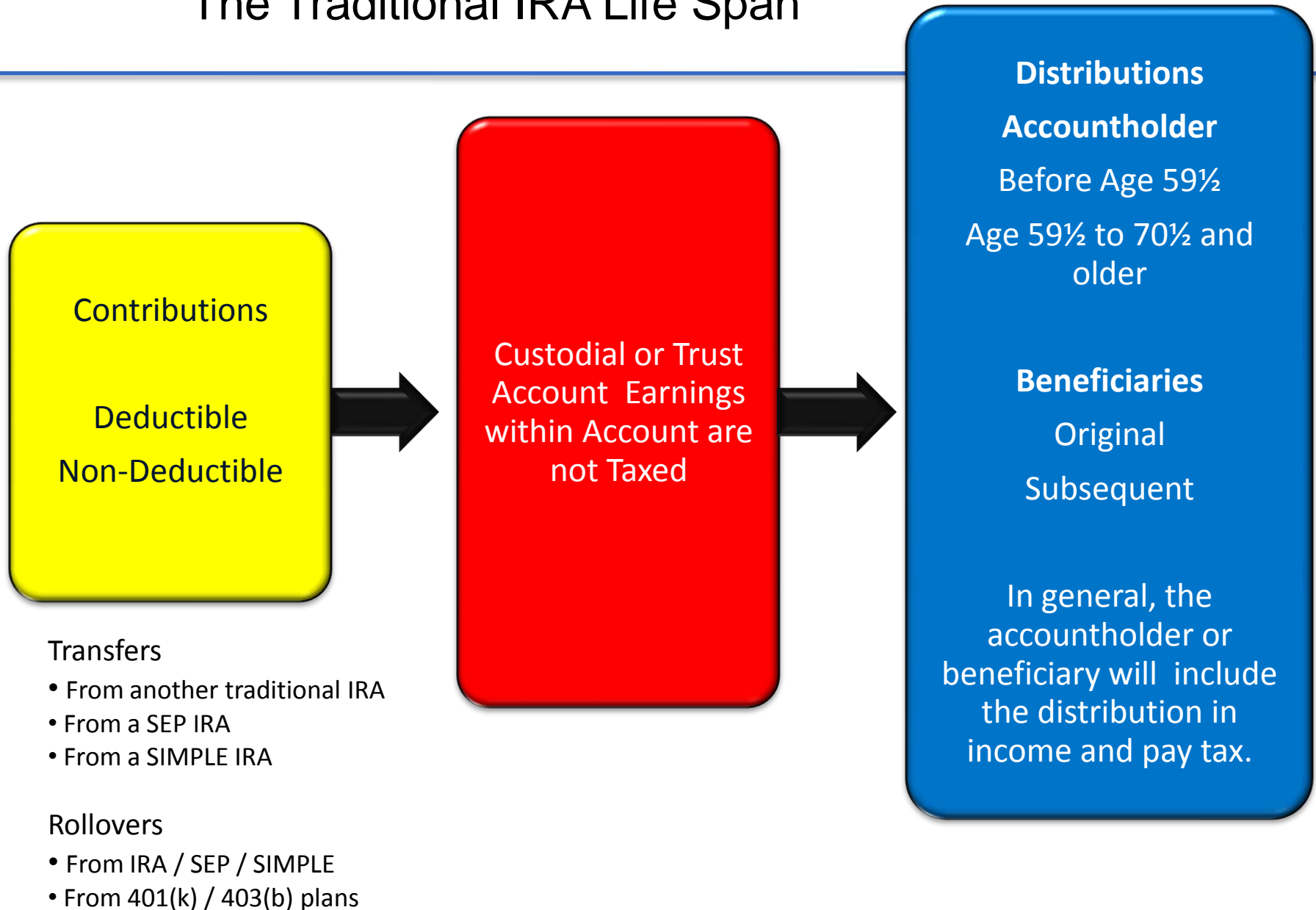
* Note a taxpayer may have multiple IRAs.

What rollover contributions were made for 2020 to the four IRA types

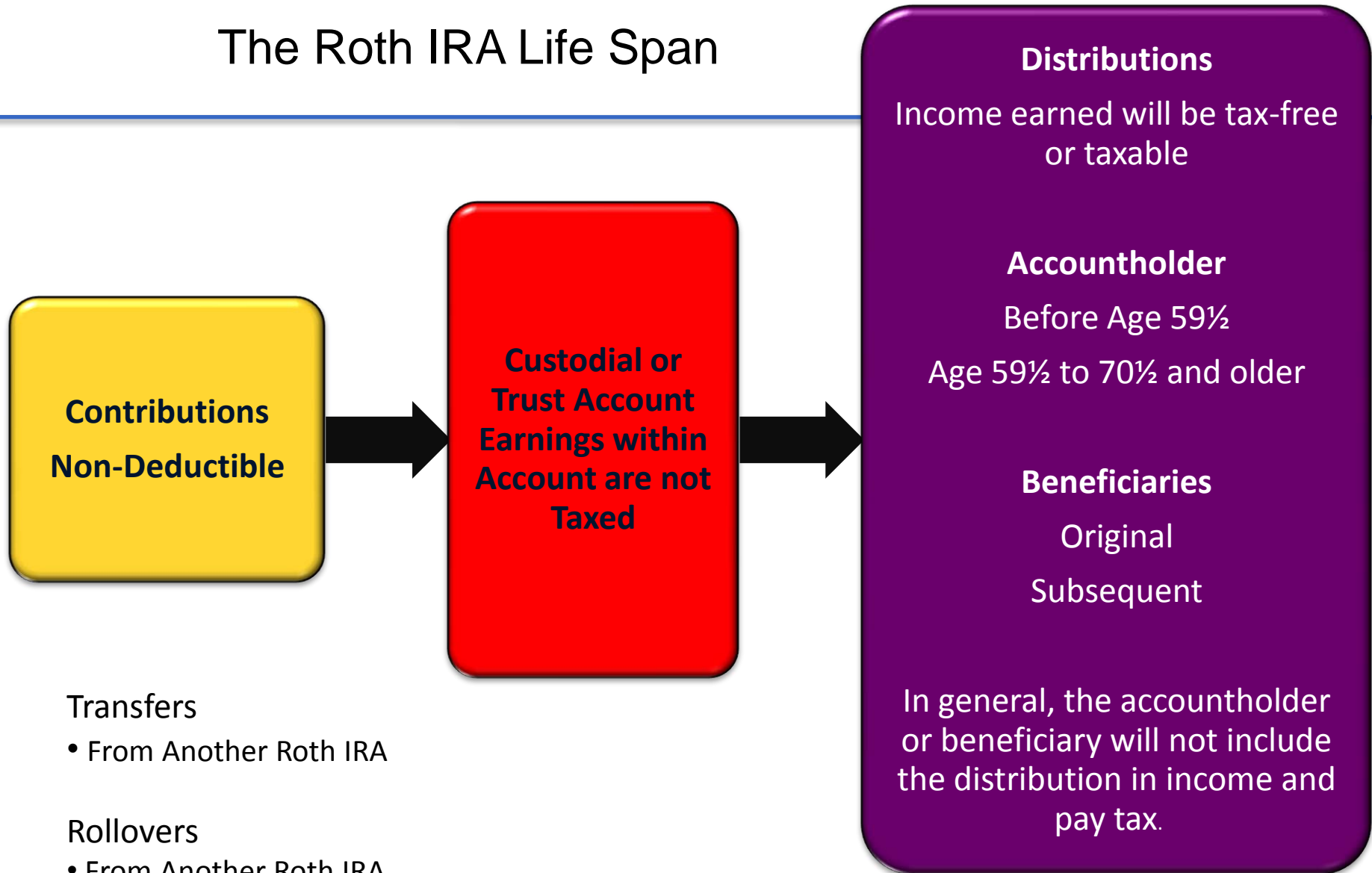
IRA Type	Number of IRAs/ Taxpayers*	Contribution Amount	Average Rollover Contribution
Traditional	5,281,143	\$594,816,630,000	\$112,030
SEP	63,882	\$5,366,503,000	\$84,067
SIMPLE	18,519	\$651,779,000	\$35,195
Roth	700,965	\$17,541,973,000	\$25,026
Total	5,659,901	\$618,376,885,000	\$109,256

* Note a taxpayer may have multiple IRAs.

The Traditional IRA Life Span



The Roth IRA Life Span



Transfers

- From Another Roth IRA

Rollovers

- From Another Roth IRA
- From taxable portion of 401(k)/403(b)
- From non-taxable portion of 401(k)/403(b)
- From Designated Roth of 401(k)/403(b)

Transfers and Rollovers are exceptions to the general tax rule that a distribution is taxable and must be explained on a person's tax return

Transfers

There is no taxable event when a non-reportable transfer occurs.

Transfer Plan to Plan

Rollover Plan to Person to Plan

Direct Rollover Pension Plan to IRA fbo person

Looks like a transfer but it is not a transfer, *It is Reportable*

Reportable means – Form 1099-R and Form 5498 are to be prepared

Direct Payment IRA to Non-IRA Plan

Rollovers

A rollover transaction is a reportable event, but it is a non-taxable event

Transfers and Rollovers are exceptions to the general tax rule that a distribution is taxable

Purpose of Rollovers
and direct Rollover
to a traditional IRA

– Continue the Tax deferral

Purpose of Rollover
and direct Rollover
to a Roth IRA

- (1) Continue the Existence of the Roth IRA
(2) A method to make a Roth IRA conversion
Contribution

Transfers and Rollovers are exceptions to the general tax rule that a distribution is taxable

Purpose of a transfer - Change who is the custodian/trustee
Change the type of investments

Trustee-to-Trustee Transfer

- A contractual right or plan agreement right
- Not a legal or statutory right
- Difficulty - IRS has never in writing defined what must be done to have a transfer
- IRA Plan Agreement – Generally at Discretion of IRA Custodian
- An IRS Administrative Creation – No distribution is made to the accountholder or beneficiary, so it is not reportable for 1099-R and 5498 purposes.

No box on the 5498 form to report the transfer contribution. The FMV box to a certain extent reflects the transfer. That is, the balance is larger due to the transfer. In contrast, there is a box to report a rollover contribution, a conversion contribution and a recharacterization contribution.

Trustee-to-Trustee Transfer – No Box on Form 5498

2024 <input type="checkbox"/> VOID <input type="checkbox"/> CORRECTED		OMB No. 1545-0747		2024		Form 5498		IRA Contribution Information	
TRUSTEE'S or ISSUER'S name, street address, city or town, state or province, country, and ZIP or foreign postal code				1 IRA contributions (other than amounts in boxes 2-4, 8-10, 13a, and 14a)		2 Rollover contributions		3 Roth IRA conversion amount	
				\$					
TRUSTEE'S or ISSUER'S TIN				PARTICIPANT'S TIN		4 Recharacterized contributions		5 FMV of account	
PARTICIPANT'S name				7 IRA <input type="checkbox"/> SEP <input type="checkbox"/> SIMPLE <input type="checkbox"/> Roth IRA <input type="checkbox"/>		8 SEP contributions		9 SIMPLE contributions	
Street address (including apt. no.)				10 Roth IRA contributions		11 Check if RMD for 2025 <input type="checkbox"/>		12a RMD date	
City or town, state or province, country, and ZIP or foreign postal code				12b RMD amount		13a Postponed/late contrib.		13b Year	
Account number (see instructions)				14a Repayments		14b Code		15a FMV of certain specified assets	
15b Code(s)				15c Code		15d Code		15e Code	

Copy A

For Internal Revenue Service Center

File with Form 1096.

For Privacy Act and Paperwork Reduction Act Notice, see the 2024 General Instructions for Certain Information Returns.

Form **5498**
Cat. No. 50010C
www.irs.gov/Form5498
Department of the Treasury - Internal Revenue Service

Trustee-to-Trustee Transfer

- IRA custodians/trustees do not prepare 1099-R and 5498 forms
- Fee or not – many IRA accountholders are willing to pay a reasonable transfer fee for the convenience of not having to report the transaction on his or her tax return and avoiding the once-per-year rule applying to rollovers.
- A transfer fee is to be preferred to a close-out fee.








Trustee-to-Trustee Transfer

- Two types of transfers
 - Non-reportable - No 1099-R or specific box on the 5498
 - Reportable - A 1099-R or 5498 must be prepared

Trustee-to-Trustee Transfer – Non-reportable

- **Transfer must be from same type of IRA to be non-reportable**
 - Traditional IRA to Traditional IRA
 - SEP IRA to SEP IRA
 - Roth IRA to Roth IRA
 - SIMPLE IRA to SIMPLE IRA
- or must be one of the following
 - Traditional IRA to SEP IRA or vice versa
 - Traditional IRA to SIMPLE-IRA (2 year rule must be met) or vice versa
 - SEP-IRA to SIMPLE-IRA (2 year rule must be met) or vice versa

Trustee-to-Trustee Transfer - Reportable Transfers

Direct Rollover		-	Non-Like Kind	
401(k)		-	Traditional IRA	
401(k)		-	Roth IRA	
Traditional IRA		-	Roth IRA	A Roth IRA Conversion
Recharacterizations				
Traditional IRA		-	HSA	Qualified HSA Funding Distribution
Traditional IRA		-	401(k)	Reverse Direct Rollover

The plan or IRA making the distribution must prepare a Form 1099-R.

The IRA or HSA custodian will report the contribution either as a conversion, recharacterization or an annual HSA contribution.

Trustee-to-Trustee Transfer

Requirements

- Required minimum distributions from traditional/SEP/SIMPLE:
 - IRAs can be transferred
- Recommend noting RMD
 - Note outgoing
 - Follow-up any incoming

Trustee-to-Trustee Transfer

Procedures

Transfer documentation may be initiated either by the “losing” or “gaining” IRA Custodian.

Strong Recommendation – Use Transfer Forms(s)

Transfer Form - Signed by Both Financial Institutions and the Individual

Email, Fax or mail

Determine - The “Other” Financial Institution is authorized to serve as an IRA custodian trustee

Trustee-to-Trustee Transfer Forms

CWF # 56

IRA Transfer Form

Purpose. I have decided it is my best interest to request a transfer of my IRA funds with my current IRA custodian to the successor IRA custodian/trustee as indicated below. In making my decision I have considered the following factors for both IRA custodians/trustees: available investments, fees, IRA forms being IRS compliant and informative, location, web services and other general services and assistance.

This IRA Transfer Form is to be used to transfer various types of IRA funds with the current custodian/trustee to a successor custodian/trustee. It is not to be used to transfer funds to a Roth IRA. Indicate the Transfer Type:

- | | | |
|---|---|--|
| <input type="checkbox"/> Traditional IRA to Traditional IRA | <input type="checkbox"/> SEP-IRA to SEP-IRA | <input type="checkbox"/> SIMPLE-IRA to SIMPLE-IRA |
| <input type="checkbox"/> Traditional IRA to SEP-IRA | <input type="checkbox"/> SEP-IRA to Traditional IRA | <input type="checkbox"/> SIMPLE-IRA to Traditional IRA * |
| <input type="checkbox"/> Traditional IRA to SIMPLE-IRA * | <input type="checkbox"/> SEP-IRA to SIMPLE-IRA * | <input type="checkbox"/> SIMPLE-IRA to SEP-IRA * |

An asterisk (*) means the transfer is authorized only if the individual has satisfied the 2-year requirement for a SIMPLE-IRA participant as set forth in Code section 72(t)(6) and the IRA account holder so certifies.

Current IRA Custodian/Trustee

Name _____
Address _____
City _____ State _____ Zip _____
Phone _____ Email _____

IRA Accountholder

Name _____
Address _____
City _____ State _____ Zip _____
SSN _____

I. Instructions from IRA Accountholder to Current Custodian/Trustee

I request the transfer of my IRA funds from IRA Plan number _____ to my IRA with the successor custodian/trustee as named below. I want all assets as listed below to be transferred pursuant to the following instructions.

- ☐ Liquidate and transfer the amount of \$ _____ from the indicated accounts, or _____ %.

Instructions: _____

- ☐ Transfer assets "in kind" as listed here: _____

- ☐ Other Instructions: _____

Required Minimum Distribution (RMD) Instruction

- ☐ 1. I have no RMD because I am not or will not attain age 73 or older this year; or
☐ 2. I have an RMD for the current year. I understand it is my duty to comply with the RMD rules. I may have already withdrawn my RMD. My current IRA custodian/trustee may not be willing to transfer my RMD. I instruct as follows:
☐ Pay me my remaining RMD and then transfer the remainder; or
☐ I want any remaining RMD to be included in the amount transferred.

I acknowledge that once both IRA Custodians/Trustees have signed this IRA transfer form that my designation of my IRA beneficiary(ies) under my IRA with the Successor IRA Custodian/Trustee will control should I die before such IRA assets are actually transferred to the Successor IRA Custodian/Trustee.

Signature of IRA Accountholder: _____ Date: _____

II. Successor Custodian/Trustee's Acceptance of Appointment and Instruction to Current Custodian/Trustee

We hereby advise the current custodian/trustee that we will accept the transfer of the above-referenced IRA account holder's IRA assets. We have agreed to act as the successor custodian/trustee. We certify that the account holder has an IRA with us which meets the requirements of Code section 408(a), (b) or (k). We certify we are a bank as defined in Code section 408(n) and that we are an IRS approved IRA custodian or trustee or we are a non-bank corporation which has received a letter from the national office of the IRS stating we have the authority to currently provide IRA services as a non-bank IRA custodian or trustee. Because this is a transfer contribution, we promise to not report this contribution on the Form 5498 as a rollover contribution.

Name _____	IRA Plan number _____
Attention _____	Phone _____
Address _____	Email _____
City _____ State _____ Zip _____	Fax _____

Authorized Signature of Successor IRA Custodian/Trustee: _____ Date: _____

III. Acknowledgment of Current Custodian/Trustee and Instruction to IRA Accountholder

We have received your request to transfer your IRA funds to the successor IRA custodian/trustee. We certify that the account holder had an IRA with us which met the requirements of Code section 408(a), (b) or (k). We agree to this transfer only if you and the successor custodian/trustee have signed this form. We certify we are a bank as defined in Code section 408(n) and that we are an IRS approved IRA custodian or trustee or we are a non-bank corporation which has received a letter from the national office of the IRS stating we have the authority to currently provide IRA services as a non-bank IRA custodian or trustee. Because this is a transfer distribution, we promise not to report this distribution on the Form 1099-R. We acknowledge that when both IRA custodians/trustees have executed this transfer form that such IRA funds come under the control of the IRA established with the Successor IRA Custodian/Trustee.

Authorized Signature of Current IRA Custodian/Trustee: _____ Date: _____



Trustee-to-Trustee
Transfer Forms

CWF # 56R

Instruction & Authorization to Transfer Roth IRA Funds

Purpose. I have decided it is my best interest to request a transfer of my Roth IRA funds with my current Roth IRA custodian to the successor Roth IRA custodian/trustee as indicated below. In making my decision I have considered the following factors for both Roth IRA custodians/trustees: available investments, fees, Roth IRA forms being IRS compliant and informative, location, web services and other general services and assistance.

This Roth IRA Transfer Form is to be used to transfer funds from one Roth IRA to another Roth IRA. This Form is not to be used to transfer funds from a SIMPLE-IRA to another SIMPLE-IRA, a SIMPLE-IRA to a traditional IRA, or a traditional IRA to a traditional IRA. If your institution is the successor custodian/trustee which will receive the transfer, then you and your accountholder will need to complete this transfer form and furnish it to the current custodian/trustee. If your institution is the current custodian/trustee which will transfer the Roth IRA funds, then you will need to have the Roth IRA accountholder and the successor custodian/trustee complete this transfer form and return it to you.

Current Custodian/Trustee

Name

Address

CityStateZip

Phone

Roth IRA Accountholder

Name

Address

CityStateZip

SSNAccount #

I. Instructions from Roth IRA Accountholder to Current Custodian/Trustee

I instruct you to transfer my Roth IRA funds to the successor custodian/trustee as named below. I want all assets as listed below to be transferred pursuant to the following instructions.

☐ Liquidate and transfer all my account assets or

☐ Liquidate and transfer the assets listed as they mature.

Account #:Maturity Date:

Account #:Maturity Date:

☐ Transfer assets "in kind" as listed here:

☐ Other:

I understand that I have instructed you to liquidate certain assets. I am aware of the penalties, losses, or fees, if any, which will result from this transfer instruction. You are to send a check payable to the successor custodian/trustee on behalf of my Roth IRA. I certify that I have established a Roth IRA with this custodian/trustee.

Signature of Roth IRA Accountholder:

Date:

II. Successor Custodian/Trustee's Acceptance of Appointment and Instruction to Current Custodian/Trustee

We hereby advise the current custodian/trustee that we will accept the transfer of the above-referenced Roth IRA accountholder's Roth IRA assets. We have agreed to act as the successor custodian/trustee. We certify that the accountholder has a Roth IRA with us which meets the requirements of Code section 408A. We certify we are a bank as defined in Code section 408(n) and that we are an IRS approved Roth IRA custodian or trustee or we are a non-bank corporation which has received a letter from the national office of the IRS stating we have the authority to currently provide IRA services as a non-bank IRA custodian or trustee. Because this is a transfer contribution, we promise to not report this contribution on the Form 5498 as a rollover contribution or any other contribution type. Our name and address are set forth below.

The Roth IRA transfer is to be sent to the attention of:

Name

Attention

Address

CityStateZip

Our Roth IRA Plan Number

PhoneFax

Email

Other

Authorized Signature of Successor Custodian/Trustee:

Date:

III. Acknowledgment of Current Custodian/Trustee and Instruction to Roth IRA Accountholder

We have received your request to transfer your Roth IRA funds to a successor Roth IRA custodian/trustee. We agree to do so as long as you and the successor custodian/trustee have completed and signed this form. We certify we are a bank as defined in Code section 408(n) and that we are an IRS approved Roth IRA custodian or trustee or we are a non-bank corporation which has received a letter from the national office of the IRS stating we have the authority to currently provide IRA services as a non-bank IRA custodian or trustee. Because this is a transfer distribution, we promise not to report this distribution on the Form 1099-R.

Authorized Signature of Current Roth IRA Custodian/Trustee:

Date:

IRA #56-R (7/24)

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Instructions & Authorization to Transfer Inherited IRA Funds

CWF # 561

Instruction & Authorization to Transfer Inherited IRA Funds

Purpose. I have decided it is my best interest to request a transfer of my inherited IRA funds with my current IRA custodian to the successor IRA custodian/trustee as indicated below. In making my decision I have considered the following factors for both IRA custodians/trustees: available investments, fees, IRA forms being IRS compliant and informative, location, web services and other general services and assistance.

The current custodian/trustee, the inheriting beneficiary and the successor custodian/trustee need to complete the portions of this form that pertain to them. Each of these entities should keep a copy for their records. This form is not to be used by a spouse beneficiary who elects to treat the deceased accountholder's IRA as his or her own.

Current Custodian/Trustee

Name _____
Address _____
City _____ State _____ Zip _____
Attn: _____
Phone _____ Email: _____

Deceased Accountholder Information (mandatory)

Name _____
Plan No. _____
Date of Death _____
Date of Birth _____
Required Beginning Date: April 1, _____ (of the year following the year the deceased accountholder would have attained age 73)

Purpose — Inherited IRA accounts are subject to the required minimum distribution requirements found in section 408(a) and (b) of the Internal Revenue Code (IRC) and related regulations. When an IRA accountholder dies, his or her designated beneficiary(ies) inherits the IRA or a portion of the IRA.

The IRC and related regulations do not expressly authorize the transfer of an inherited IRA account from one IRA custodian/trustee to another IRA custodian/trustee. The purpose of this form is to authorize such a transfer if the current IRA custodian/trustee of the existing IRA is provided sufficient certification from the successor IRA custodian/trustee that it acknowledges that the transferred IRA is an inherited IRA.

Describe the RMD situation applying to this beneficiary:

Using the 10-year rule? ☐ Yes ☐ No
Using the life distribution rule? ☐ Yes ☐ No
Using the 5-year rule? ☐ Yes ☐ No
Completing the schedule of the initial beneficiary? ☐ Yes ☐ No
Additional Information _____

Note: The check to the successor inherited IRA custodian should be titled as follows: "ABC Bank as custodian for Jane Doe as beneficiary of John Doe's IRA."

Inherited IRA Account Title: _____ (beneficiary) as beneficiary of _____'s (decedent) IRA

Certification of Current IRA Custodian/Trustee — We hereby certify to the successor custodian/trustee that the deceased accountholder maintained an IRA under Code section 408(a) or (b) and that the beneficiary as identified above was a designated beneficiary of such IRA. We certify we are a bank as defined in Code section 408(n) and that we are an IRS approved IRA custodian or trustee or we are a non-bank corporation which has received a letter from the national office of the IRS stating we have the authority to currently provide IRA services as a non-bank IRA custodian or trustee. We have enclosed a copy of the deceased accountholder's governing IRA plan agreement and governing beneficiary designation, if any. To the best of our knowledge, the required distribution for the current year ☐ has or ☐ has not been fully distributed. The amount remaining to be distributed, if any, is \$ _____. We certify that the RMDs for prior years either were withdrawn or a certification was furnished that the RMD was taken from another like-kind IRA. Because this is a transfer distribution, we promise not to report this distribution on the Form 1099-R.

Authorized Signature of Current Custodian/Trustee: _____

Date: _____

Successor Custodian/Trustee Information

Name _____
Address _____
City _____ State _____ Zip _____
Attn: _____
Phone _____ Email: _____

Beneficiary Information

Name _____
Home Address _____
City _____ State _____ Zip _____
Date of Birth _____

Spouse of Accountholder ☐ Yes ☐ No
Is the beneficiary an Eligible Designated Beneficiary? ☐ Yes ☐ No

Beneficiary's Instruction to Current Custodian/Trustee — I instruct you to transfer my inherited IRA funds as referenced here to the successor custodian/trustee as named above. I want all assets as listed below to be transferred pursuant to the following instructions.

- ☐ Liquidate and transfer _____% of my inherited IRA funds.
☐ Transfers assets "in kind" as listed and instructed here:

I understand that I have instructed you to liquidate certain assets, and I am aware of the penalties or losses which will result from this transfer instruction. You are to send a check payable to the successor custodian/trustee. I certify that I have established an inherited IRA with the successor custodian/trustee.

Signature of IRA Beneficiary: _____

Date: _____

Certification of Successor IRA Custodian/Trustee — We hereby advise the current custodian/trustee that we will accept the transfer of the above referenced beneficiary's inherited IRA assets. We certify we are a bank as defined in Code section 408(n) and that we are an IRS approved IRA custodian or trustee or we are a non-bank corporation which has received a letter from the national office of the IRS stating we have the authority to currently provide IRA services as a non-bank IRA custodian or trustee. We have agreed to act as the successor custodian/trustee and certify that the beneficiary has an inherited IRA with us that meets the requirements of Code section 408(a) or (b) and we certify that the distributions from this inherited IRA will comply with the RMD rules as found in Code section 408 and related regulations. Because this is a transfer contribution, we promise to not report as a rollover contribution or any other contribution type. Our name and address are set forth above.

Authorized Signature of Successor Custodian/Trustee: _____

Date: _____

Instructions & Authorization to Transfer Inherited Roth IRA Funds

CUF # 56RI

Instruction & Authorization to Transfer Inherited Roth IRA Funds

Purpose. I have decided it is my best interest to request a transfer of my inherited Roth IRA funds with my current Roth IRA custodian/trustee to the successor IRA custodian/trustee as indicated below. In making my decision I have considered the following factors for both Roth IRA custodians/trustees: available investments, fees, Roth IRA forms being IRS compliant and informative, location, web services and other general services and assistance.

The current custodian/trustee, the inheriting beneficiary and the successor custodian/trustee need to complete the portions of this form that pertain to them. Each of these entities should keep a copy for their records. This form is not to be used by a spouse beneficiary who elects to treat the deceased accountholder's Roth IRA as his or her own.

Current Custodian/Trustee

Name _____
Address _____
City _____ State _____ Zip _____
Attn: _____
Phone _____ Email _____

Deceased Accountholder Information

Name _____
SSN _____
Plan No. _____
Date of Death _____
Date of Birth _____

Purpose — Inherited Roth IRA accounts are subject to the required minimum distribution requirements found in section 408A of the Internal Revenue Code (IRC) and related regulations. When a Roth IRA accountholder dies, his or her designated beneficiary(ies) inherits the Roth IRA or a portion of the Roth IRA.

The IRC and related regulations do not expressly authorize the transfer of an inherited Roth IRA account from one Roth IRA custodian/trustee to another Roth IRA custodian/trustee. The purpose of this form is to authorize such a transfer if the current Roth IRA custodian/trustee of the existing Roth IRA is provided sufficient certification from the successor Roth IRA custodian/trustee that it understands that the transferred Roth IRA is an inherited Roth IRA, and that applicable required minimum distribution (RMD) rules will be complied with.

Describe the RMD situation applying to this beneficiary:

Using the 10-year rule? ☐ Yes ☐ No
Using the life distribution rule? ☐ Yes ☐ No
Using the 5-year rule? ☐ Yes ☐ No
Completing the schedule of the initial beneficiary? ☐ Yes ☐ No
Additional Information _____

Note: The check to the successor inherited Roth IRA custodian should be titled as follows: "ABC Bank as custodian for Jane Doe as beneficiary of John Doe's IRA."

Inherited Roth IRA Account Title: _____ (beneficiary)
as beneficiary of _____'s (decedent) Roth IRA.

Certification of Current Roth IRA Custodian/Trustee — We hereby certify to the successor custodian/trustee that the deceased accountholder maintained a Roth IRA under Code section 408A and that the beneficiary as identified above was a designated beneficiary of such Roth IRA. We certify we are a bank as defined in Code section 408(n) and that we are an IRS approved Roth IRA custodian or trustee or we are a non-bank corporation which has received a letter from the national office of the IRS stating we have the authority to currently provide Roth IRA services as a non-bank IRA custodian or trustee. We have enclosed a copy of the deceased accountholder's governing Roth IRA plan agreement. Because this is a transfer distribution, we promise not to report this distribution on the Form 1099-R. We provide the following pertinent information:

Authorized Signature of Current Roth IRA Custodian/Trustee: _____

Date: _____

Successor Custodian/Trustee Information

Name _____
Address _____
City _____ State _____ Zip _____
Attn: _____
Phone _____ Email _____

Beneficiary Information

Name _____
Home Address _____

City _____ State _____ Zip _____

Sole Beneficiary ☐ Yes ☐ No

Date of Birth _____

Spouse of Accountholder ☐ Yes ☐ No

Is the beneficiary an Eligible Designated Beneficiary? ☐ Yes ☐ No

Beneficiary's Instruction to Current Custodian/Trustee — I instruct you to transfer my inherited Roth IRA funds as referenced here to the successor custodian/trustee as named above. I want all assets as listed below to be transferred pursuant to the following instructions.

☐ Liquidate and transfer _____% of my inherited Roth IRA funds.

☐ Liquidate and transfer the assets listed at maturity.

Acct #: _____ Maturity Date: _____ Amount \$: _____

Acct #: _____ Maturity Date: _____ Amount \$: _____

Acct #: _____ Maturity Date: _____ Amount \$: _____

☐ Transfers assets "in kind" as listed here:

I understand that I have instructed you to liquidate certain assets, and I am aware of the penalties or losses which will result from this transfer instruction. You are to send a check payable to the successor custodian/trustee. I certify that I have established an inherited Roth IRA with the successor custodian/trustee.

Signature of Roth IRA Beneficiary: _____

Date: _____

Certification of Successor Roth IRA Custodian/Trustee — We hereby advise the current custodian/trustee that we will accept the transfer of the above referenced beneficiary's inherited Roth IRA assets. We certify we are a bank as defined in Code section 408(n) and that we are an IRS approved Roth IRA custodian or trustee or we are a non-bank corporation which has received a letter from the national office of the IRS stating we have the authority to currently provide Roth IRA services as a non-bank IRA custodian or trustee. We acknowledge receiving the relevant administrative information. We have agreed to act as the successor custodian/trustee and certify that the beneficiary has a Roth IRA with us that meets the requirements of Code section 408A and that we certify that the distributions from this inherited Roth IRA will comply with the RMD rules as found in Code section 408A and related regulations. Because this is a transfer contribution, we promise to not report this contribution on the Form 5498 rollover contribution or any other contribution type. Our name and address are set forth above.

Authorized Signature of Successor Custodian/Trustee: _____

Date: _____

Trustee-to-Trustee Transfer

Separate Transfer Forms vs. a Combined Transfer Form

CWF has separate transfer forms because these transfers are non-reportable.

In contrast, if traditional IRA funds are withdrawn and contributed (*converted*) to a Roth IRA, the individual must include such distribution in income and pay tax on it. The traditional IRA custodian must report the distribution and the Roth IRA custodian must report the Roth conversion contribution.

If a person could find a financial institution that would process the above transaction as a non-reportable transfer, the individual may well escape having to pay tax on the amount withdrawn since the IRS will not be informed of the distribution.

What is the IRS penalty for failing to prepare Form 1099-R to report a Distribution ?

\$330 x 2

Trustee-to-Trustee Transfer

IRAs and Divorces or Legal Separations

- IRAs must be transferred to an ex-spouse's IRA
- Decree must be specific
- How, How much, When, etc.
- Have IRA's (*former*) owner complete distribution form

CANNOT be done as a distribution and a rollover.

Trustee-to-Trustee Transfer

Substitute
FORM W-4R
Department of the Treasury (IRS)

IRA Distribution Form (Traditional, SEP or SIMPLE IRA)

OMB NO. 1545-0074

Custodian/Trustee (Payer)

Name _____
Address _____
City _____ State _____ Zip _____
Attn: _____

Accountholder (Payee)

Name _____ Date of Birth: _____
SSN _____ IRA Acct #: _____

Beneficiary (Other Payee) (Complete only if the distribution is made to the beneficiary. Use separate form for each beneficiary.)

Name _____
Address _____
City _____ State _____ Zip _____
SSN _____ or TIN: _____

A beneficiary may use Form 204 or Form 206 to make his or her election as to how the funds will be paid out to comply with the Required Distribution rules of IRC 408(a)(6).

Reason for Withdrawal/Distribution (Check One)

I certify the reason for my distribution by checking the appropriate box below which best describes the reason for this withdrawal.

1. ☐ Before Age 59 1/2 and No Known Exception or on account of a distribution to a qualifying military reservist, certain medical expenses, education expenses, payment of health insurance premiums, first-time home buyer expenses, certain birth and adoption expenses or one-time transfer/direct rollover to an HSA.
2. ☐ Before Age 59 1/2 but an Exception Applies (Certification Required)
- ☐ Conversion/Rollover to a Roth IRA ☐ IRS Levy
- ☐ Substantially Equal Schedule
- ☐ Disaster Distribution ☐ Chronically Ill ☐ Terminally Ill
- ☐ Roth SEP-IRA or Roth SIMPLE-IRA Matching or Nonmatching Contribution

3. ☐ Disability (certification to be furnished)

4. ☐ Death (payment to beneficiary from beneficiary IRA) (Initials) _____
If I am a nonspouse beneficiary of an inherited IRA, I acknowledge that I will never be eligible to roll over any IRA distribution, but a transfer to another inherited IRA may be permissible.

7. ☐ On or After Age 59 1/2 (a normal distribution)
- ☐ Conversion/Rollover to a Roth IRA ☐ Qualified Charitable Distribution
- ☐ One Lifetime Transfer/Direct Rollover to an HSA (use certification form 66-HSA)

10. ☐ Transfer to Other Custodian/Trustee (Name): _____
(A transfer form must be completed)

11. ☐ Transfer to the IRA of the Accountholder's Spouse Due to Divorce/Legal Separation

12. ☐ Transfer to the IRA of Accountholder's Spouse Due to Election to Treat as Own

13. ☐ Transfer to Inherited IRA of Beneficiary

14. ☐ Other Special Circumstances: _____ Choose from 5, 8, G, K, N, P or R as described on the reverse side. Complete below if applicable.
Current-Year: _____
On _____ I made a contribution of \$ _____ and the
I now elect to withdraw the indicated portion of \$ _____ and the
allocable earnings are: \$ _____.
☐ Check if you have revoked your IRA

15. ☐ From SIMPLE IRA

16. ☐ Other _____

Notice of Rollover Rights - You will not be required to include your distribution in your income if you rollover your IRA distribution. You are authorized to only rollover one IRA distribution within a one-year period commencing on the date of the distribution regardless of the number or types of IRAs you have. Many distributions from a traditional IRA, SEP-IRA or SIMPLE IRA are eligible to be rolled over. One must comply with the once per year rule and the 60 day rule. However, some distributions are ineligible to be rolled over. A required distribution is ineligible to be rolled over. You must determine if you are eligible to rollover this distribution. You should discuss with your tax adviser before taking the distribution. The tax laws do not generally authorize a non-spouse beneficiary to rollover funds distributed from an inherited IRA.

Status of Payee (Do not use this form for a distribution to a nonresident alien)

☐ U.S. Citizen, or ☐ Resident Alien

Financial Information

Date of Distribution: _____

Type of Distribution:

- ☐ Nonperiodic or
- ☐ Periodic (I hereby instruct you to pay my IRA account balance to me as follows): _____

I certify that these payments satisfy, or will satisfy, the minimum distribution requirements of Code section 408(a)(6) if applicable. I understand my election is revocable.

☐ Multiple distributions, but not periodic. I will complete my initial IRA distribution form to indicate the applicable reason code and I must instruct whether or not any federal income tax or state income tax is to be withheld from all such distributions. I understand all further distributions will be processed in the same manner until I furnish you written notification that I am changing in my previous instruction.

Method of Payment:

- ☐ Issue check to me
- ☐ Issue check for _____ to charity:
- ☐ Deposit to my checking or savings account # _____
- ☐ Other _____

	Investment Account #	Investment Account #
Amount Requested	(+)	_____
Earnings Not Yet Reported to DP	(+)	_____
Early Surrender Fee	(-)	_____
Net Amount	(=)	_____
Fed. With	(-)	_____
State With	(-)	_____
Actual Amount Received or Transferred	(=)	_____

Read - Important Distribution and Withholding Information -

I understand this distribution has income tax consequences and I should consult a tax advisor as necessary. I understand this information will be used by the custodian/trustee, if required, to prepare the IRS information return Form 1099-R, which will be furnished to me on or before January 31 of the next year. I will be required to determine what portion of this distribution, if any, must be included in my income for income tax purposes. If I have not attained age 59½, then I will be required to pay an additional tax of 10% of the amount unless an exception applies. The income earned by the current year contribution is taxable for the year in which the current year contribution is made.

Withholding Notice - I understand that 10% will be withheld from my distribution unless I elect to not have any withholding by completing line 2 below with 0, unless my distribution is a transfer, or I instruct you below to withhold more than 10% by completing line 2 with the applicable percentage. If I do not have a sufficient amount withheld, then I understand I may have to pay additional tax penalties under the withholding and estimated tax payout rules. See reverse side for an explanation.

Roth IRA Distribution Form

Custodian/Trustee (Payer)

Name _____
Address _____
City _____ State _____ Zip _____
Attn: _____

Accountholder (Payee)

Name _____
SSN _____ IRA Acct #: _____

Status of Payee ☐ U.S. Citizen ☐ Resident Alien

Beneficiary (Other Payee) (Complete only if the distribution is made to the beneficiary. Use separate form for each beneficiary.)

Name _____
Address _____
City _____ State _____ Zip _____
SSN _____ or TIN: _____

Status of Payee ☐ U.S. Citizen ☐ Resident Alien

Special Notice. The general rule is that the Roth IRA custodian will indicate the amount of the gross distribution(s) from a Roth IRA in box 1 of the Form 1099-R, but will leave box 2a (taxable amount) blank. It is the responsibility of the recipient to explain whether the distribution is nontaxable (return of basis) or is taxable. An exception applies for the withdrawal of an excess contribution. Box 2a will be completed to show the income earned by the excess contribution. An exception also applies for a recharacterized contribution. In such case, box 2a will be completed with a "0.00."

Classification and Reason for Withdrawal/Distribution

Types of Distributions (Check applicable box)

I. A Transfer

- ☐ A. Transfer to Other Custodian/Trustee (Name): _____
- ☐ B. Transfer to the Roth IRA of the Accountholder's Spouse Due to Divorce/Legal Separation
- ☐ C. Transfer to the Roth IRA of Accountholder's Spouse Due to Election to Treat as Own
- ☐ Transfer to Inherited Roth IRA of Beneficiary

II. Qualified

- ☐ Based upon when the accountholder established the Roth IRA with the Custodian, the Custodian knows that the 5-year rule has been met by either the accountholder and/or the inheriting beneficiary, if applicable, and that this distribution is on account of the accountholder:
- ☐ Having attained age 59½ or older;
- ☐ Being disabled; or
- ☐ Having died.

III. Nonqualified

- ☐ A nonqualified distribution, but an exception applies. Use Code _____
- T for a distribution from a Roth IRA if you do not know if the 5-year holding period has been met but:
- The participant has reached 59½ or

Financial Information

Date of Distribution: _____
Type of Distribution: _____

☐ Nonperiodic or

☐ Periodic (I hereby instruct you to pay my Roth IRA account balance to me as follows): _____

I understand my election may be changed.

Method of Payment:

- ☐ Issue check to me.
- ☐ Deposit to my checking acct #: _____
- ☐ Deposit to my savings acct # _____
- ☐ Other _____

	Investment Account #	Investment Account #
Amount Requested	(+)	_____
Earnings Not Yet Reported to DP	(+)	_____
Early Withdrawal Fee	(-)	_____
Other Fee	(-)	_____
Net Amount Received or Transferred	(=)	_____

- ☐ J. A nonqualified distribution before age 59½ and no known exception or on account of a first-time home purchase. Use Code J for a distribution from a Roth IRA when Code Q or Code T does not apply.
- ☐ JB. Withdrawal of a current-year/excess contribution made in the same year as the year of withdrawal.
- ☐ JP. Withdrawal of a current-year/excess contribution in the year after the year it was contributed.

On _____ I made a contribution of \$ _____. I now elect to withdraw the indicated portion and the earnings attributable are: \$ _____. (To be completed for both JB and JP)
Note - income is taxable in the year the contribution is made.

IV. A Recharacterization (See explanation of Distributions Codes "N" and "R" on page 2 of this form.)

- Amount recharacterized: _____
- Interest: _____
- Total Distribution: _____
- ☐ N. See description on reverse side.
- ☐ R. See description on reverse side.

V. Special Distributions

- ☐ 2. Before Age 59 1/2 but an Exception Applies (check one)
- ☐ Disaster Distribution
- ☐ IRS Levy

Transfer to the IRA of the Accountholder's Spouse
Due to Divorce/Legal Separation

Substitute
FORM W-4R
Department of the Treasury

The instructions to this form are on the reverse side. For nonperiodic payments, the instructions to this form are on the reverse side. For nonperiodic payments, the instructions to this form are on the reverse side.

Complete line 2 if you would like a rate of withholding that is different from the default withholding rate of 10%. See the line 2 instructions on the reverse side and the Marginal Rate Tables for additional information. Enter the rate as a whole number (no decimals).

Signature of Payee/Recipient _____ Date _____

IRA #57 (1/25) White - Custodian/Trustee Yellow - Accountholder Pink - Ad

CWF # 57

CWF # 57R

reason for this withdrawal. I expressly assume full responsibility for this distribution as evidenced by my signature below. I acknowledge that I have read the information as set forth on the reverse side discussing Rollover Rules.

Date _____ Custodian/Trustee (Payer) _____ Date _____

Purpose of Trustee-to-Trustee Transfer

Requirements

- Required minimum distributions from traditional/SEP/SIMPLE:
 - May be transferred (*Since 2002*)
 - Recommend noting RMD
 - Note outgoing
 - Follow-Up any incoming

Example: Jane Doe has a traditional IRA with WF Bank. Her balance is \$50,000. She is age 74. Her RMD is \$2,100.

Discussion – 2 Approaches

Transfer entire balance

Do not transfer the RMD amount

Purpose of Trustee to Trustee Transfer

- Move IRA Asset from one IRA to another, one IRA custodian/trustee to another IRA custodian trustee, on a Tax-Free Basis

- Requirements:

Check/Draft/Wire made payable to new IRA custodian/trustee

“ABC Financial Institution as Custodian/Trustee for John Jones’ (*Traditional, SEP, SIMPLE, Roth*) IRA”

- Specify the name of the new IRA custodian, the name of the individual and the IRA type.
- No IRS Limit
Reasonable Custodian/Trustee restrictions allowed
Not Reportable to IRS
- Federal Income Tax withholding rules do not apply

Purpose of Trustee-to-Trustee Transfer

Strong Recommendation – Use Transfer Form(s)

Procedure – Transfer documentation may be initiated either by the “losing” or “gaining” IRA Custodian.

Trustee-to-Trustee Transfer

Substitute
FORM W-4R
Department of the Treasury (IRS)

IRA Distribution Form (Traditional, SEP or SIMPLE IRA)

OMB NO. 1545-0074

Custodian/Trustee (Payer)

Name _____
Address _____
City _____ State _____ Zip _____
Attn: _____

Accountholder (Payee)

Name _____ Date of Birth: _____
SSN _____ IRA Acct #: _____

Beneficiary (Other Payee) (Complete only if the distribution is made to the beneficiary. Use separate form for each beneficiary.)

Name _____
Address _____
City _____ State _____ Zip _____
SSN _____ or TIN: _____

A beneficiary may use Form 204 or Form 206 to make his or her election as to how the funds will be paid out to comply with the Required Distribution rules of IRC 408(a)(6).

Reason for Withdrawal/Distribution (Check One)

I certify the reason for my distribution by checking the appropriate box below which best describes the reason for this withdrawal.

1. ☐ Before Age 59 1/2 and No Known Exception or on account of a distribution to a qualifying military reservist, certain medical expenses, education expenses, payment of health insurance premiums, first-time home buyer expenses, certain birth and adoption expenses or one-time transfer/direct rollover to an HSA.
2. ☐ Before Age 59 1/2 but an Exception Applies (Certification Required)
 - ☐ Conversion/Rollover to a Roth IRA ☐ IRS Levy
 - ☐ Substantially Equal Schedule
 - ☐ Disaster Distribution ☐ Chronically Ill ☐ Terminally Ill
 - ☐ Roth SEP-IRA or Roth SIMPLE-IRA Matching or Nonmatching Contribution
3. ☐ Disability (certification to be furnished)
4. ☐ Death (payment to beneficiary from beneficiary IRA) (Initials) _____
If I am a nonspouse beneficiary of an inherited IRA, I acknowledge that I will never be eligible to roll over any IRA distribution, but a transfer to another inherited IRA may be permissible.
7. ☐ On or After Age 59 1/2 (a normal distribution)
 - ☐ Conversion/Rollover to a Roth IRA ☐ Qualified Charitable Distribution
 - ☐ One Lifetime Transfer/Direct Rollover to an HSA (use certification form 66-HSA)
10. ☐ Transfer to Other Custodian/Trustee (Name): _____
(A transfer form must be completed)
11. ☐ Transfer to the IRA of the Accountholder's Spouse Due to Divorce/Legal Separation
12. ☐ Transfer to the IRA of the Accountholder's Spouse Due to Election to Treat as Own
13. ☐ Transfer to Inherited IRA of Beneficiary
14. ☐ Other Special Code: _____ Choose from 5, 8, G, K, N, P or R as described on the reverse side. Complete below if applicable.
Current-Year Contribution including an excess contribution for the current year. On _____ I made a contribution of \$ _____ and the allocable earnings are: \$ _____.
☐ Check if you have revoked your IRA
15. ☐ From SIMPLE-IRA and 2-year rule not
16. ☐ Other _____

Notice of Rollover Rights - You will not be required to include your distribution in your income if you rollover your IRA distribution. You are authorized to only rollover one IRA distribution within a one-year period commencing on the date of the distribution regardless of the number or types of IRAs you have. Many distributions from a traditional IRA, SEP-IRA or SIMPLE IRA are eligible to be rolled over. One must comply with the once per year rule and the 60 day rule. However, some distributions are ineligible to be rolled over. A required distribution is ineligible to be rolled over. You must determine if you are eligible to rollover this distribution. You should discuss with your tax adviser before taking the distribution. The tax laws do not generally authorize a non-spouse beneficiary to rollover funds distributed from an inherited IRA.

Status of Payee (Do not use this form for a distribution to a nonresident alien)
☐ U.S. Citizen, or ☐ Resident Alien

Financial Information

Date of Distribution: _____

Type of Distribution:

- ☐ Nonperiodic or
- ☐ Periodic (I hereby instruct you to pay my IRA account balance to me as follows): _____

I certify that these payments satisfy, or will satisfy, the minimum distribution requirements of Code section 408(a)(8) if applicable. I understand my election is revocable.

☐ Multiple distributions, but not periodic. I will complete my initial IRA distribution form to indicate the applicable reason code and I must instruct whether or not any federal income tax or state income tax is to be withheld from all such distributions. I understand all further distributions will be processed in the same manner until I furnish you written notification that I am changing in my previous instruction.

Method of Payment:

- ☐ Issue check to me
- ☐ Issue check for _____ to charity:
- ☐ Deposit to my checking or savings account # _____
- ☐ Other _____

	Investment Account #	Investment Account #
Amount Requested	(+)	_____
Earnings Not Yet Reported to DP	(+)	_____
Early Surrender Fee	(-)	_____
Net Amount	(=)	_____
Fed. With	(-)	_____
State With	(-)	_____
Actual Amount Received or Transferred	(=)	_____

Read - Important Distribution and Withholding Information - I understand this distribution has income tax consequences and I should consult a tax advisor as necessary. I understand this information will be used by the custodian/trustee, if required, to prepare the IRS information return Form 1099-R, which will be furnished to me on or before January 31 of the next year. I will be required to determine what portion of this distribution, if any, must be included in my income for income tax purposes. If I have not attained age 59 1/2, then I will be required to pay an additional tax of 10% of the amount unless an exception applies. The income earned by the current year contribution is taxable for the year in which the current year contribution is made.

Withholding Notice - I understand that 10% will be withheld from my distribution unless I elect to not have any withholding by completing line 2 below with 0, unless my distribution is a transfer, or I instruct you below to withhold more than 10% by completing line 2 with the applicable percentage. If I do not have a sufficient amount withheld, then I understand I may have to pay additional tax penalties under the withholding and estimated tax payment rules. See reverse side for an explanation.

Certification - By my signature below in the Withholding Certificate for Nonperiodic

Substitute
FORM W-4R
Department of the Treasury (Internal Revenue Service)

The instructions to this substitute Form W-4R are on the reverse side as well as additional discussion of special withdrawal topics.

For nonperiodic payments, the default withholding rate is 10%. You can choose to have a different rate by entering a rate between 0% and 100% on line 2 below. Generally, you can't choose less than 10% for payments to be delivered outside the United States and its possessions. This form is not valid unless you sign it.
Complete line 2 if you would like a rate of withholding that is different from the default withholding rate of 10%. See the line 2 instructions on the reverse side and the Marginal Rate Tables for additional information. Enter the rate as a whole number (no decimals). _____ 2 %

Signature of Payee/Recipient _____ Date _____ Custodian/Trustee (Payer) _____ Date _____

IRA #57 (1/25)

White - Custodian/Trustee

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CWF
Form # 57

Roth IRA Distribution Form

Custodian/Trustee (Payer)

Name _____
Address _____
City _____ State _____ Zip _____
Attn: _____

Accountholder (Payee)

Name _____
SSN _____ IRA Acct #: _____

Status of Payee ☐ U.S. Citizen ☐ Resident Alien

Beneficiary (Other Payee) (Complete only if the distribution is made to the beneficiary. Use separate form for each beneficiary.)

Name _____
Address _____
City _____ State _____ Zip _____
SSN _____ or TIN: _____

Status of Payee ☐ U.S. Citizen ☐ Resident Alien

Special Notice. The general rule is that the Roth IRA custodian will indicate the amount of the gross distribution(s) from a Roth IRA in box 1 of the Form 1099-R, but will leave box 2a (taxable amount) blank. It is the responsibility of the recipient to explain whether the distribution is nontaxable (return of basis) or is taxable. An exception applies for the withdrawal of an excess contribution. Box 2a will be completed to show the income earned by the excess contribution. An exception also applies for a recharacterized contribution. In such case, box 2a will be completed with a "0.00."

Classification and Reason for Withdrawal/Distribution

Types of Distributions (Check applicable box)

I. A Transfer

- ☐ A. Transfer to Other Custodian/Trustee (Name): _____
- ☐ B. Transfer to the Roth IRA of the Accountholder's Spouse Due to Divorce/Legal Separation
- ☐ C. Transfer to the Roth IRA of Accountholder's Spouse Due to Election to Treat as Own
- ☐ D. Transfer to Inherited Roth IRA of Beneficiary

II. Qualified

- ☐ Q. Based upon when the accountholder established the Roth IRA with the Custodian, the Custodian knows that the 5-year rule has been met by either the accountholder and/or the inheriting beneficiary, if applicable, and that this distribution is on account of the accountholder:
 - ☐ having attained age 59 1/2 or older;
 - ☐ being disabled; or
 - ☐ having died.

III. Nonqualified

- ☐ T. A nonqualified distribution, but an exception applies. Use Code T for a distribution from a Roth IRA if you do not know the 5-year holding period has been met but:
 - The participant has reached 59 1/2, or

Financial Information

Date of Distribution: _____
Type of Distribution: _____
☐ Nonperiodic or
☐ Periodic (I hereby instruct you to pay my Roth IRA account balance to me as follows): _____

I understand my election may be changed.

Method of Payment:

- ☐ Issue check to me.
- ☐ Deposit to my checking acct #: _____
- ☐ Deposit to my savings acct # _____
- ☐ Other _____

	Investment Account #	Investment Account #
Amount Requested	(+)	_____
Earnings Not Yet Reported to DP	(+)	_____
Early Withdrawal Fee	(-)	_____
Other Fee	(-)	_____
Net Amount Received or Transferred	(=)	_____

- ☐ J. A nonqualified distribution before age 59 1/2 and no known exception or on account of a first-time home purchase. Use Code J for a distribution from a Roth IRA when Code Q or Code T does not apply.
- ☐ JB. Withdrawal of a current-year/excess contribution made in the same year as the year of withdrawal.
- ☐ JP. Withdrawal of a current-year/excess contribution in the year after the year it was contributed.
On _____ I made a contribution of \$ _____. I now elect to withdraw the indicated portion and the earnings attributable are: \$ _____. (To be completed for both JB and JP)
Note - income is taxable in the year the contribution is made.

IV. A Recharacterization (See explanation of Distributions Codes "N" and "R" on page 2 of this form.)

Amount recharacterized: _____
Interest: _____
Total Distribution: _____
☐ N. See description on reverse side.
☐ R. See description on reverse side.

V. Special Distributions

- ☐ 2. Before Age 59 1/2 but an Exception Applies (check one)
 - ☐ Disaster Distribution
 - ☐ IRS Levy

Substantially Equal Schedule (certification to be furnished)

Transaction

Certification - I certify the classification and reason for my distribution by checking the appropriate box above which best describes the reason for this withdrawal. I expressly assume full responsibility for this distribution as evidenced by my signature below. I acknowledge that I have read the information as set forth on the reverse side discussing Rollover Rules.

Signature of Recipient/Payee _____ Date _____ Custodian/Trustee (Payer) _____ Date _____

Roth IRA #57-R (1/25)

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CWF
Form # 57-R

Trustee-to-Trustee Transfer – Non-reportable

Surviving Spouse elects to Treat as Own

Must be the sole primary beneficiary

Deadline to Elect

Current Rule

Proposed New Rule

A Surviving Spouse's Options with Respect to Their Deceased Spouse's IRA

Four Ways To Elect As Own

- First, the surviving spouse instructs the IRA custodian in writing that he or she is electing to treat the deceased spouse's IRA as his or her own. There will forms to make this election.
- Second, the surviving spouse may re-designate the deceased owner's IRA so that the IRA bears his or her name as an owner and not as a beneficiary. This re-designation may be made by transferring the funds from the deceased owner's IRA to the IRA of the surviving spouse.
- Third, an automatic election takes place if the surviving spouse fails to take an RMD by a deadline.
- Fourth, an automatic election occurs if the surviving spouse makes a regular contribution to the inherited IRA.

Rollovers Into an IRA

May Generate Large Deposits

Special administrative procedures apply since IRA plan agreement authorizes contributions larger than \$7,000 or \$8,000 for 2024 and 2025 only if the contribution is a SEP contribution, recharacterization or a qualifying rollover.

Rollovers from another IRA

Rollovers from employer plans

Average Rollover is approximately \$92,000 - \$110,000

Rollover Statistics

End-of-Year Fair Market values for IRAs

The following chart shows the fair market values for traditional IRAs, Roth IRAs, SEP-IRAs and SIMPLE-IRAs. These amounts do vary. They were certainly impacted by the economic recession of 2008. The annual percentages stay quite constant:

Traditional IRAs	86.09%
SEP-IRAs	5.05%
SIMPLE-IRAs	1.33%
Roth IRAs	7.51%
Total	100.00%

IRA-to-IRA Rollovers

General Rule:

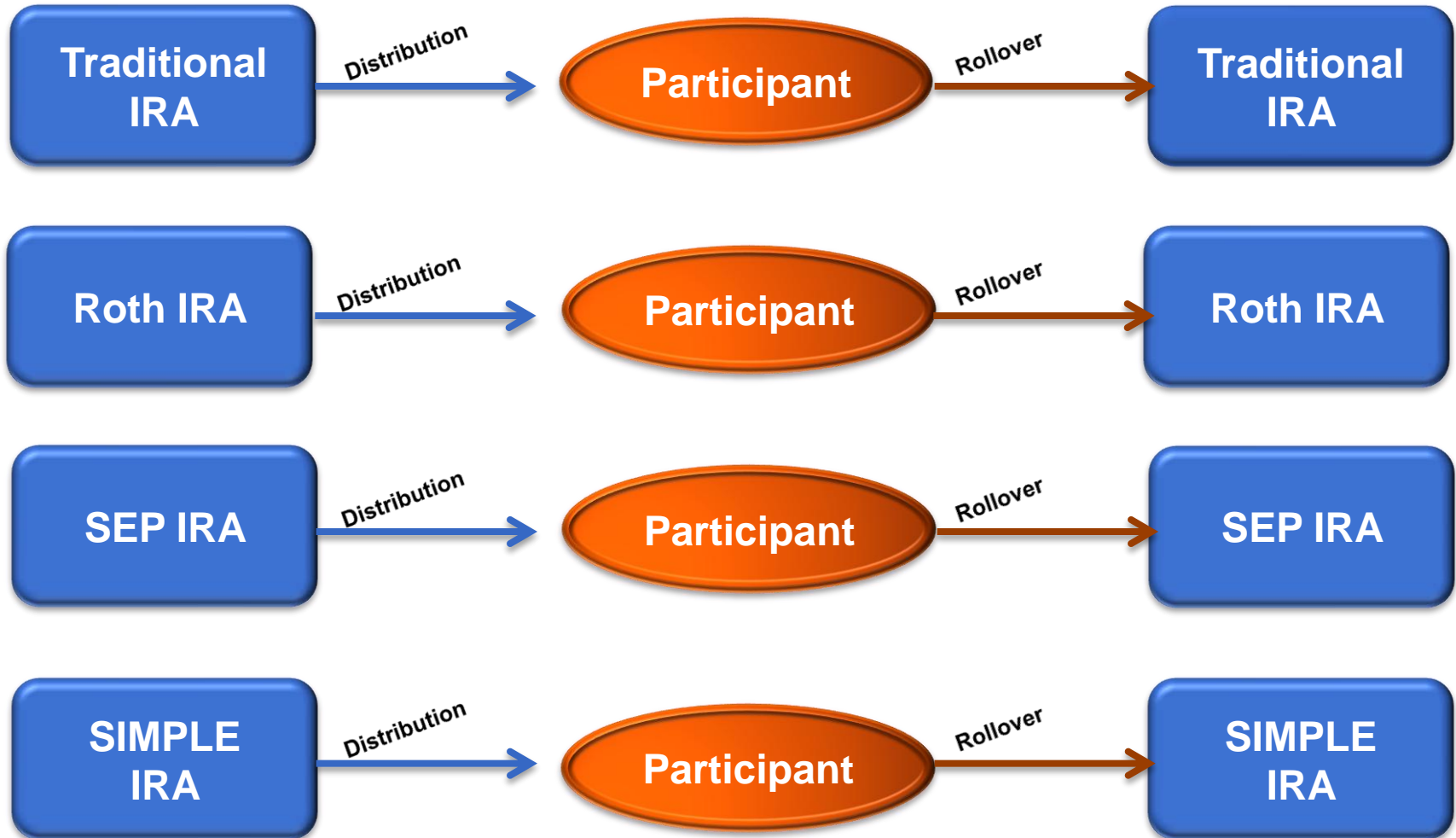
A rollover is one of the exceptions to the rule that a person will be taxed when he or she is paid the IRA or pension assets. When the assets are properly rolled over, taxation will be delayed until a later taxable distribution occurs.

The general rule is that only the IRA accountholder is eligible to roll over IRA assets that have been paid from his or her own IRA to another IRA. However, a surviving spouse beneficiary may roll over a distribution paid from a deceased spouse's IRA into their own IRA.

There is no authority to roll one spouse's IRA funds to the other spouse's IRA while both are alive.

A divorced IRA owner cannot roll over a distribution from his/her former spouse's IRA into his/her own IRA.

IRA Rollovers



A Distribution followed by a Rollover Contribution

IRA-to-IRA Rollovers

- Purpose
 - Usually to move IRA assets from one IRA to another IRA
 - Rollover can be brought back to the same IRA
- Requirements
 - A required distribution is ineligible to be rolled over.
 - One rollover, per 12-month period (*365 days*)
(*not per investment and not per plan agreement*)
 - IRA Assets must be deposited into IRA within 60 calendar days
 - Check/Draft/Wire is normally made payable to the IRA accountholder
 - The same property must be rolled over. If property is distributed to you from an IRA and you complete the rollover by contributing property to an IRA, your rollover is tax-free only if the property you contribute is the same property that was distributed to you. You are unable to sell the property distributed and rollover the proceeds.
 - A distribution from an inherited IRA to a non – spouse beneficiary is ineligible to be rolled over.

IRA-to-IRA Rollovers

Cardinal Rule – Customer
Certifies He/She Is Eligible to
make the Rollover

CWF
Form # 65A

IRA – Certification for Rollovers to a Traditional IRA, SEP-IRA, or SIMPLE-IRA from a Traditional IRA, SEP-IRA, or SIMPLE-IRA

To: Custodian/Trustee

Name _____ Date: _____
Address _____ Phone: _____
City _____ State _____ Zip _____

From: Accountholder

Name _____ Plan No. _____
Home Address _____ Phone: _____
City _____ State _____ Zip _____ SSN _____

Purpose. You are to use this form to certify that you have received a distribution from a traditional IRA, SEP-IRA or SIMPLE-IRA and that you are eligible to make a rollover contribution into this traditional IRA, SEP-IRA or SIMPLE-IRA. If you have received a distribution from an employer sponsored plan, you should complete a different certification form such as IRA #65-B.

**Re: Irrevocable election to make an IRA rollover contribution in the amount of \$ _____ to
my ☐ traditional IRA, my ☐ SEP-IRA or my ☐ SIMPLE-IRA – Account Number _____**

I certify that I am eligible to make this rollover contribution because I comply with the following requirements.

1. I am not rolling over any required distribution, if any. I understand an IRA accountholder subject to the RMD rules must satisfy his or her RMD requirement before any amount is eligible to be rollover over. A person is required to aggregate all traditional IRAs, SEP-IRAs and SIMPLE-IRAs when applying this rule.
2. I have made my rollover contribution or contributions within 60 days of the day the IRA funds were distributed to me.
3. I have not taken a distribution from any IRA during the previous 12-month period which I rolled over. That is, I understand a person is eligible to rollover only one distribution during a 12-month period. Normally this period is comprised of 365 days except for leap year when the period will be 366 days.
4. I must rollover the exact property distributed to me if I was distributed by the prior IRA custodian property or assets other than cash. I do not have right to sell the property and rollover the proceeds as I do if the distribution was made by a qualified plan.
5. A non-spouse beneficiary is ineligible to rollover a distribution from an inherited IRA into another inherited IRA or an individual's own personal IRA.
6. A person is eligible to rollover a distribution of traditional IRA funds or SEP-IRA funds into a SIMPLE-IRA only if the 2-year rule applying to SIMPLE-IRA contributions have been met – or vice versa.

The IRS has issued guidance that it has the legal authority to grant relief to a person who has failed to comply with the 60-day rule when equity and fairness require relief be extended.

Other special rollover rules. Check the box if applicable.

- ☐ 1. I qualify to use the special rollover relief granted by the IRS in Notice 2020-23, Notice 2020-50, Notice 2020-51 and/or similar guidance.
- ☐ 2. I have made a rollover contribution because I am using the IRS Self-Certification method for requesting a waiver of the 60-day rule. I have completed the IRS' Self-Certification form and furnished you a copy of this form.
- ☐ 3. I qualify as a victim of a federally declared disaster to make a rollover contribution even though I missed the 60-day rule because the 60-day period is modified for certain victims of federally declared disasters. I will furnish a note of explanation as prepared by my tax accountant or attorney.
- ☐ 4. I have made my rollover contribution or contributions within 120 days of the day the IRA funds were distributed to me. I certify I withdrew my IRA funds for a first time home purchase, but the acquisition or construction was delayed or cancelled.
- ☐ 5. I have made a rollover contribution or contributions of IRA funds which the IRS levied and then returned to me. I certify I have made my rollover contributions by April 15 of the year following the year the IRA funds were returned to me. The IRS levied my IRA funds on _____. The IRS paid me some or all of such levied funds on _____.
- ☐ 6. I have made a rollover contribution of an outstanding loan which I had with respect to an employer retirement plan. I certify I have made my rollover contribution by April 15th of the year following my loan becoming outstanding.

I acknowledge that you have instructed me to consult with my legal or tax advisor because of the complexity and importance of this matter. I understand that the tax consequences related to depositing funds in a traditional IRA, SEP-IRA or SIMPLE-IRA which do not qualify for rollover treatment are extremely harsh and I acknowledge that the IRA custodian/trustee will rely on my certification that I am eligible to make my rollover contribution. I agree to hold the IRA custodian/trustee harmless and indemnify if I incur adverse tax and/or other legal consequences because I was ineligible.

Signature of Accountholder _____ Date _____

Signature of Acknowledgment of Custodian/Trustee _____ Date _____

IRA-to-IRA Rollovers

Requirements

- Traditional/SEP/SIMPLE IRA required minimum distributions
- *RMDs* CANNOT be rolled over, must be satisfied first
- Rollover election must be irrevocable
- Document carefully

Example: Lynn is age 74. She has established a periodic distribution where her RMD is paid to her checking account in November of each year. Her RMD for 2025 is \$600. On March 20, 2025 she needs funds to pay her property taxes. She withdraws \$1,500. She wants to rollover the entire \$1,500. She may only Rollover \$900. She will not need to take her November distribution as she has taken her 2025 RMD.

IRA-to-IRA Rollovers

Cardinal Rule – Customer
Certifies He/She Is Eligible to
make the Rollover

CWF
Form #
65B

IRA – Certification for Rollovers or Direct Rollover *to* a Traditional IRA, SEP-IRA or SIMPLE-IRA *from* a 401(k) Plan, or other Qualifying Employer Sponsored Plan

To: IRA Custodian/Trustee

Name _____ Date: _____
Address _____ Phone: _____
City _____ State _____ Zip _____

From: IRA Accountholder

Name _____ Phone: Home _____
Home Address _____ Phone: Work _____
City _____ State _____ Zip _____ SSN _____
County _____ Date of Birth _____ Plan No. _____

Re: Irrevocable election to make rollover or direct rollover contribution in the amount of \$ _____
to my ☐ traditional IRA, ☐ SEP-IRA or ☐ SIMPLE-IRA – Account Number _____

The money, or assets, comprising this rollover is a: (check and complete one)

- ☐ **Distribution from an Eligible Employer Plan for Direct Rollover to a traditional IRA, SEP-IRA or SIMPLE-IRA.**
I instructed my former employer/plan administrator to send you, as my IRA custodian/trustee, a direct rollover contribution. The plan administrator has either furnished you or me with a check made payable to you as the IRA custodian. You now have possession of this check and/or other similarly titled assets. The plan administrator:
- ☐ (a) has; or
- ☐ (b) has not sent you any additional administrative information certifying that the assets which were sent are eligible to be rolled over. I expressly assume all responsibility for the determination that the assets which are sent are eligible to be rolled over.
- ☐ **Distribution from an Eligible Employer Plan for Rollover to a traditional IRA, SEP-IRA or SIMPLE-IRA.**
I hereby certify that the cash or other property I contributed to the IRA referenced above qualifies as a rollover contribution pursuant to Internal Revenue Code sections 402(c), 403(a)(4), 403(b)(8) or 457(e)(16) and the applicable regulations. I certify that I am making this rollover within 60 days of the date I received the distribution. I received this distribution on _____. As the basis for my certification:
- ☐ (a) I have attached a written notice from the plan administrator, or my tax or legal advisor, that certifies these funds are eligible for rollover to an IRA.
- ☐ (b) I have **not** attached a written statement from the plan administrator, or from my tax advisor or legal advisor, stating that these funds are eligible for rollover to an IRA. I certify that I have been instructed that the information on the back of this form is for informational purposes only and may **not** be relied on by me to determine that this distribution is eligible for rollover.
- ☐ (c) I have made a rollover contribution under the special rules for a loan offset situation. My deemed distribution from the 401(k) plan or other qualified plan occurred on _____. I have made my rollover contribution by April 15 of the following year.
- ☐ (d) I have made a rollover contribution or contributions of IRA funds which the IRS levied and then returned to me. I certify I have made my rollover contributions by April 15 of the year following the year the IRA funds were returned to me. The IRS levied my IRA funds on _____. The IRS paid me some or all of such levied funds on _____.

I acknowledge that you have instructed me to consult with my legal or tax advisor because of the complexity and importance of this matter. I acknowledge I have read the reverse side. I expressly assume all responsibility for this rollover contribution. I also certify that I am not rolling over any part of a required minimum distribution (i.e. distributions required for the year you attain age 70½ and for each subsequent year). I certify that I have met the 2-year SIMPLE-IRA rollover requirement, if applicable. I understand that the tax consequences related to depositing funds in a traditional IRA or SEP-IRA which do not qualify for rollover treatment are extremely harsh and I hold you harmless if I do. I understand my rollover election or instruction is irrevocable. I also expressly acknowledge that if I have rolled over any after-tax employee contributions into my traditional IRA or SEP-IRA that I am solely responsible to account for such contributions now and in the future.

Signature of Accountholder _____ Date _____

Signature of Acknowledgment of Custodian/Trustee _____ Date _____

IRA-to-IRA Rollovers

Cardinal Rule – Customer
Certifies He/She Is Eligible to
make the Rollover

CWF
Form # 65-R1A

IRA – Certification for Rollovers to a Roth IRA from a Roth IRA, or Military Death Gratuity or SGLI Payment

To: Custodian/Trustee

Name _____ Date: _____
Address _____ Phone: _____
City _____ State _____ Zip _____

From: Accountholder

Name _____ Phone: Home _____
Home Address _____ Phone: Work _____
City _____ State _____ Zip _____ SSN _____
County _____ Date of Birth _____ Plan No. _____

**Re: Irrevocable election to make a Roth IRA rollover contribution in the amount of \$ _____ to
my ☐ Roth IRA – Account Number _____**

I certify that I am eligible to make this rollover contribution because I comply with the following requirements.

1. I have made my rollover contribution or contributions within 60 days of the day the Roth IRA funds were distributed to me.
2. I have not taken a distribution from any IRA during the previous 12 month period which I rolled over. That is, I understand a person is eligible to rollover only one distribution during a 12 month period. Normally this period is comprised of 365 days except for leap year when the period will be 366 days.
3. I must rollover the exact property distributed to me if I was distributed by the prior Roth IRA custodian property or assets other than cash. I do not have right to sell the property and rollover the proceeds as I do if the distribution was made by a qualified plan.
4. A non-spouse beneficiary is ineligible to rollover a distribution from an inherited Roth IRA into another inherited Roth IRA or an individual's own personal Roth IRA.

The IRS has issued guidance that it has the legal authority to grant relief to a person who has failed to comply with these rules only in one instance. The IRS can grant relief if a person filed to comply with the 60 day rule and equity and fairness require relief be extended.

Other special rollover rules. Check the box if applicable.

- ☐ 1. I qualify to use the special rollover relief granted by the IRS in Notice 2020-23, Notice 2020-50, Notice 2020-51 and/or similar guidance.
- ☐ 2. I have made a rollover contribution because I am using the IRS Self-Certification method for requesting a waiver of the 60-day rule. I have completed the IRS' Self-Certification form and furnished you a copy of this form.
- ☐ 3. I qualify as a victim of a federally declared disaster to make a rollover contribution even though I missed the 60-day rule because the 60-day period is modified for certain victims of federally declared disasters. I will furnish a note of explanation as prepared by my tax accountant or attorney.
- ☐ 4. I have made my rollover contribution or contributions within 120 days of the day the Roth IRA funds were distributed to me. I certify I withdrew my Roth IRA funds for a first time home purchase, but the acquisition or construction was delayed or cancelled.
- ☐ 5. I have made a rollover contribution or contributions of Roth IRA funds which the IRS levied and then returned to me. I certify I have made my rollover contributions by April 15 of the year following the year the Roth IRA funds were returned to me. The IRS levied my Roth IRA funds on _____. The IRS paid me some or all of such levied funds on _____.
- ☐ 6. I qualify as the recipient of a military death gratuity or a service-members' group life insurance (SGLI) payment. The law permits me to rollover all or part of this payment or payments. I must complete my rollover before the end of the 1-year period beginning on the date I received it. Such a payment is disregarded for purposes of the 1-year waiting period rule. I certify that I received this distribution on _____ and that I am making this rollover contribution within one year of the day I received it.
- ☐ 7. I qualify as the recipient of an Exxon Valdez Settlement Income payment or other qualifying special payment.

I certify that I am eligible to make this rollover contribution as indicated above. I acknowledge that you have instructed me to consult with my legal or tax advisor because of the complexity and importance of this matter. I understand that the tax consequences related to depositing funds in a Roth IRA which do not qualify for rollover treatment are extremely harsh and I acknowledge that the Roth IRA custodian/trustee will rely on my certification that I am eligible to make my rollover contribution. I agree to hold the Roth IRA custodian/trustee harmless and indemnify if I incur adverse tax and/or other legal consequences because I was ineligible.

Signature of Accountholder _____ Date _____

Signature of Acknowledgment of Custodian/Trustee _____ Date _____

IRA-to-IRA Rollovers

Cardinal Rule – Customer
Certifies He/She Is Eligible to
make the Rollover

CWF
Form # 65-R1B

Certification for Rollovers and Direct Rollovers to a Roth IRA from a 401(k) Plan , or other Qualifying Employer Sponsored Plan

To: Custodian/Trustee

Name _____ Date: _____
Address _____ Phone: _____
City _____ State _____ Zip _____

From: Accountholder

Name _____ Phone: Home _____
Home Address _____ Phone: Work _____
City _____ State _____ Zip _____ SSN _____
County _____ Date of Birth _____ Plan No. _____

**Re: Irrevocable election to make a Roth IRA rollover contribution in the amount of \$ _____ to
my ☐ Roth IRA – Account Number _____**

The money, or assets, comprising this rollover is a: (check and complete one)

☐ Distribution from an Eligible Employer Plan for Direct Rollover to a Roth IRA

I instructed my former employer/plan administrator to send you, as my Roth IRA custodian/trustee, a direct rollover contribution. The plan administrator has either furnished you or me with a check made payable to you as the Roth IRA custodian. You now have possession of this check and/or other similarly titled assets. The plan administrator:

- ☐ (a) has; or
- ☐ (b) has not sent you any additional administrative information certifying that the assets which were sent are eligible to be rolled over. I expressly assume all responsibility for the determination that the assets which are sent are eligible to be rolled over.

I instruct to directly rollover non-Designated Roth funds of \$ _____ to my Roth IRA and

I instruct to directly rollover Designated Roth funds of \$ _____ to my Roth IRA

☐ Distribution from an Eligible Employer Plan for Rollover to a Roth IRA

I hereby certify that the cash or other property I contributed to the Roth IRA referenced above qualifies as a rollover contribution pursuant to Internal Revenue Code sections 402(c), 402A, 403(a)(4), 403(b)(8), 408, 408A or 457(e)(16) and the applicable regulations. I certify that I am making this rollover within 60 days of the date I received the distribution. I received this distribution on _____.

As the basis for my certification:

- ☐ (a) I have attached a written notice from the plan administrator, or my tax or legal advisor, that certifies these funds are eligible for rollover to a Roth IRA.
- ☐ (b) I have NOT attached a written statement from the plan administrator, or from my tax advisor or legal advisor, stating that these funds are eligible for rollover to a Roth IRA. I certify that I have been instructed that the information on the back of this form is for informational purposes only and may NOT be relied on by me to determine that this distribution is eligible for rollover.

I instruct to rollover non-Designated Roth funds of \$ _____ to my Roth IRA and

I instruct to rollover Designated Roth funds of \$ _____ to my Roth IRA

I certify that I am eligible to make this rollover contribution as indicated above. I acknowledge that you have instructed me to consult with my legal or tax advisor because of the complexity and importance of this matter. I understand that the tax consequences related to depositing funds in a Roth IRA which do not qualify for rollover treatment are extremely harsh and I acknowledge that the Roth IRA custodian/trustee will rely on my certification that I am eligible to make my rollover contribution. I agree to hold the Roth IRA custodian/trustee harmless and indemnify if I incur adverse tax and/or other legal consequences because I was ineligible.

Signature of Accountholder _____ Date _____

Signature of Acknowledgment of Custodian/Trustee _____ Date _____

IRA-to-IRA Rollovers

What is the time limit for making a rollover contribution ?

You generally must make a rollover contribution by the 60th day after the day you receive the distribution from your traditional IRA or your employer's plan.

Example. You received an eligible rollover distribution from your traditional IRA on March 25, 2025 that you intend to rollover to another traditional IRA. To postpone including the distribution in your income, you must complete the rollover by May 24, 2025, the 60th day following March 24th, 2025.

The IRS may waive the 60-day requirement where the failure to do so would be against equity or good conscience, in the event of a casualty, disaster, or other event beyond your reasonable control.

Note - IRS has no authority to waiver –

- the once per year rule
- the cannot rollover an RMD rule
- the cannot rollover an inherited IRA distribution rule

IRA-to-IRA Rollovers

Is the once per 12-month rule a per IRA plan agreement rule ?

No. The U.S. Tax Court ruled in January of 2014 that the 12-month rule does not apply on a per plan agreement basis. A person who has two traditional IRAs or one traditional IRA and one Roth IRA is allowed to rollover only one distribution from such IRAs within a 12-month period. The U.S. Tax Court ruled as it did even though the IRS over 20 years in its Publication 590 (*Individual Retirement Arrangements*) has expressly described the 12-month rule as being a per IRA plan agreement rule.

IRS Issued Transition Rule and Relief

On March 20, 2014, the IRS issued guidance and transition relief. In Announcement 2014-15, the IRS stated it will follow the Bobrow decision. The IRS will accordingly revise the existing IRA regulation and Publication 590. The revised proposed IRA regulation will be effective no earlier than January 1, 2015. The IRS will not apply the one-per-year rollover rule to any rollover involving an IRA distribution occurring before January 1, 2015.

IRA-to-IRA Rollovers

The Once Per Year Rule

Rule: can only roll over one distribution in a one year time period(365 days)

Example # 1: A person who took a distribution March 25, 2025, and Rolled it over within the 60 day limit, is eligible to rollover a subsequent distribution from any other IRA only if such distribution occurs on March 25, 2026 or later.

Example # 2: A person who takes a distribution on March 25, 2025, wanting to roll it over must determine that he or she did not take a previous distribution during the period of March 26, 2024 to March 25, 2025, which was rolled over.

Example # 3: A person is authorized to rollover one distribution in a one year period. A person who withdraws \$3,000 on March 17 and then withdraws \$15,000 on March 31st from the same IRA or two different IRAs, will have to decide which of the two distributions to rollover since only one rollover per year is authorized.

There is an exception for certain bank closures.

IRA-to-IRA Rollovers

The Once Per Year Rule – Per Plan Agreement – No longer Available

An IRA accountholder is authorized to take a distribution from his or her IRA and roll it over once per year. Although the statutory law could be read that a person with multiple IRA plan agreements is allowed to do only one rollover per year, the IRS had adopted the rule administratively (*prior to 2015*) that a person may do one rollover per year per plan agreement.

A person who only has one plan agreement comprised of 5 different CDs was permitted to do only one rollover per year. In contrast, a person with 5 different IRA plan agreements, was eligible to do a rollover within one year from each of the five plan agreements.

IRA-to-IRA Rollovers

What is the consequence if A person rolls over two IRA distributions within a 12-month period ?

The distribution rolled over second would be an excess contribution since it is ineligible to be rolled over. If it was distributed from a traditional IRA, it would be taxable unless some portion was the return of basis. The annual 6% excise tax applying to excess contributions would apply unless corrected (*i.e. withdrawn*) by the appropriate deadline. Any attempted rollover contribution not meeting any one of the rollover rules would be an excess contribution.

IRA-to-IRA Rollovers

What amount of an IRA distribution must a person roll over ?

A person does not have to roll over the entire distribution. He can roll over as much or as little as he wants. Any portion a person does not roll over is taxable immediately, and may be subject to IRS penalties if the distribution is a premature (*pre-age 59½*) withdrawal.

IRA-to-IRA Rollovers

When does the 60-day rollover period end ?

There are two exceptions to the 60-day rule. First, if your distribution deposit was put into an institution which has had its deposits “frozen,” due to a FDIC closure, then you may have longer than 60 days to complete the rollover. Refer to IRS Publication 590 for a discussion of the special “frozen deposit” rules. The second exception is, if you withdrew your funds for purposes of using such funds under the First-Time Home Buyer exception, but your acquisition or construction was delayed, then the 60-day limit is changed to 120 days.

IRC section 7503 is very clear, “When the last day prescribed under authority of the internal revenue laws for performing any act falls on Saturday, Sunday, or a legal holiday, the performance of such act shall be considered timely if it is performed on the next succeeding day which is not a Saturday, Sunday or a legal holiday.

IRA-to-IRA Rollovers

The Once Per Year Rule

It is permissible for the IRA accountholder to make multiple Rollover contributions of the one IRA distribution.

Yes. Example. John withdraws \$15,000 from his IRA on March 20, 2025. He makes three \$5,000 rollover contributions, one on April 2, one on April 18th and one on May 10, 2025. The three rollover contributions are permissible since they relate to the one distribution. IRS guidance is not as clear as it should be on this situation.

IRA-to-IRA Rollovers

Is it permissible to roll over a required minimum distribution ?

No. The law expressly provides that a required minimum distribution is not eligible to be rolled over. An excess contribution occurs if there is an attempt to roll over a required distribution. The law also provides that the first distribution(s) from an IRA subject to the RMD rules will be the required distribution(s). If you do, you will have made an excess IRA contribution.

Am I ineligible to make a rollover or transfer because I am older than age 73 ?

No. You can establish an IRA by making a rollover or a transfer contribution even though you are older than age 73. You still must comply with the required minimum distribution rules.

IRA-to-IRA Rollovers

If I die, does my beneficiary have any rollover rights ?

If the sole beneficiary of your IRA is your spouse, then he or she may elect to treat your IRA as his or her own IRA and will retain all rollover rights. If your spouse is one of designated beneficiaries, but he or she is not your sole beneficiary, he or she is ineligible to treat your IRA as his or her own IRA. However, such spouse beneficiary is eligible to roll over to an IRA his or her share, but not any required distribution.

A non-spouse beneficiary is ineligible to roll over inherited IRA funds which have been paid to him or her. A non-spouse beneficiary is ineligible to transfer inherited IRA funds into another inherited IRA.

IRS position – We do not have the authority to grant relief.

How does RMD waiver rule apply?

Notifying IRA beneficiaries

Reporting Forms: Form 1040

Form 1040	Department of the Treasury—Internal Revenue Service U.S. Individual Income Tax Return	2024	OMB No. 1545-0074	IRS Use Only—Do not write or staple in this space.																																																																																																				
For the year Jan. 1–Dec. 31, 2024, or other tax year beginning _____, 2024, ending _____, 20_____			See separate instructions.																																																																																																					
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If joint return, spouse's first name and middle initial _____		Last name _____		Spouse's social security number _____																																																																																																				
Home address (number and street). If you have a P.O. box, see instructions. _____			Apt. no. _____	Presidential Election Campaign Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund. <input type="checkbox"/> You <input type="checkbox"/> Spouse																																																																																																				
City, town, or post office. If you have a foreign address, also complete spaces below. _____		State _____	ZIP code _____																																																																																																					
Foreign country name _____		Foreign province/state/county _____	Foreign postal code _____																																																																																																					
Filing Status Check only one box.	<input type="checkbox"/> Single <input type="checkbox"/> Head of household (HOH) <input type="checkbox"/> Married filing jointly (even if only one had income) <input type="checkbox"/> Qualifying surviving spouse (QSS) <input type="checkbox"/> Married filing separately (MFS) If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QSS box, enter the child's name if the qualifying person is a child but not your dependent: _____ <input type="checkbox"/> If treating a nonresident alien or dual-status alien spouse as a U.S. resident for the entire tax year, check the box and enter their name (see instructions and attach statement if required): _____																																																																																																							
Digital Assets	At any time during 2024, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.) <input type="checkbox"/> Yes <input type="checkbox"/> No																																																																																																							
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Age/Blindness	You: <input type="checkbox"/> Were born before January 2, 1960 <input type="checkbox"/> Are blind Spouse: <input type="checkbox"/> Was born before January 2, 1960 <input type="checkbox"/> Is blind																																																																																																							
Dependents (see instructions): If more than four dependents, see instructions and check here <input type="checkbox"/>	<table><thead><tr><th>(1) First name</th><th>Last name</th><th>(2) Social security number</th><th>(3) Relationship to you</th><th>(4) Check the box if qualifies for (see instructions): Child tax credit</th><th>Credit for other dependents</th></tr></thead><tbody><tr><td> </td><td> </td><td> </td><td> </td><td><input type="checkbox"/></td><td><input type="checkbox"/></td></tr><tr><td> </td><td> </td><td> </td><td> </td><td><input type="checkbox"/></td><td><input type="checkbox"/></td></tr><tr><td> </td><td> </td><td> </td><td> </td><td><input type="checkbox"/></td><td><input type="checkbox"/></td></tr><tr><td> </td><td> </td><td> </td><td> </td><td><input type="checkbox"/></td><td><input type="checkbox"/></td></tr></tbody></table>				(1) First name	Last name	(2) Social security number	(3) Relationship to you	(4) Check the box if qualifies for (see instructions): Child tax credit	Credit for other dependents					<input type="checkbox"/>	<input type="checkbox"/>					<input type="checkbox"/>	<input type="checkbox"/>					<input type="checkbox"/>	<input type="checkbox"/>					<input type="checkbox"/>	<input type="checkbox"/>																																																																						
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Income Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld. If you did not get a Form W-2, see instructions.	<table><tbody><tr><td>1a</td><td>Total amount from Form(s) W-2, box 1 (see instructions)</td><td>1a</td><td></td></tr><tr><td>b</td><td>Household employee wages not reported on Form(s) W-2</td><td>1b</td><td></td></tr><tr><td>c</td><td>Tip income not reported on line 1a (see instructions)</td><td>1c</td><td></td></tr><tr><td>d</td><td>Medicaid waiver payments not reported on Form(s) W-2 (see instructions)</td><td>1d</td><td></td></tr><tr><td>e</td><td>Taxable dependent care benefits from Form 2441, line 26</td><td>1e</td><td></td></tr><tr><td>f</td><td>Employer-provided adoption benefits from Form 8839, line 29</td><td>1f</td><td></td></tr><tr><td>g</td><td>Wages from Form 8919, line 6</td><td>1g</td><td></td></tr><tr><td>h</td><td>Other earned income (see instructions)</td><td>1h</td><td></td></tr><tr><td>i</td><td>Nontaxable combat pay election (see instructions)</td><td>1i</td><td></td></tr><tr><td>z</td><td>Add lines 1a through 1h</td><td>1z</td><td></td></tr><tr><td>2a</td><td>Tax-exempt interest</td><td>2a</td><td></td></tr><tr><td>3a</td><td>Qualified dividends</td><td>3a</td><td></td></tr><tr><td>4a</td><td>IRA distributions</td><td>4a</td><td></td></tr><tr><td>5a</td><td>Pensions and annuities</td><td>5a</td><td></td></tr><tr><td>6a</td><td>Social security benefits</td><td>6a</td><td></td></tr><tr><td>c</td><td>If you elect to use the lump-sum election method, check here (see instructions)</td><td>c</td><td><input type="checkbox"/></td></tr><tr><td>7</td><td>Capital gain or (loss). Attach Schedule D if required. If not required, check here</td><td>7</td><td><input type="checkbox"/></td></tr><tr><td>8</td><td>Additional income from Schedule 1, line 10</td><td>8</td><td></td></tr><tr><td>9</td><td>Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income</td><td>9</td><td></td></tr><tr><td>10</td><td>Adjustments to income from Schedule 1, line 26</td><td>10</td><td></td></tr><tr><td>11</td><td>Subtract line 10 from line 9. This is your adjusted gross income</td><td>11</td><td></td></tr><tr><td>12</td><td>Standard deduction or itemized deductions (from Schedule A)</td><td>12</td><td></td></tr><tr><td>13</td><td>Qualified business income deduction from Form 8995 or Form 8995-A</td><td>13</td><td></td></tr><tr><td>14</td><td>Add lines 12 and 13</td><td>14</td><td></td></tr><tr><td>15</td><td>Subtract line 14 from line 11. If zero or less, enter -0-. This is your taxable income</td><td>15</td><td></td></tr></tbody></table>				1a	Total amount from Form(s) W-2, box 1 (see instructions)	1a		b	Household employee wages not reported on Form(s) W-2	1b		c	Tip income not reported on line 1a (see instructions)	1c		d	Medicaid waiver payments not reported on Form(s) W-2 (see instructions)	1d		e	Taxable dependent care benefits from Form 2441, line 26	1e		f	Employer-provided adoption benefits from Form 8839, line 29	1f		g	Wages from Form 8919, line 6	1g		h	Other earned income (see instructions)	1h		i	Nontaxable combat pay election (see instructions)	1i		z	Add lines 1a through 1h	1z		2a	Tax-exempt interest	2a		3a	Qualified dividends	3a		4a	IRA distributions	4a		5a	Pensions and annuities	5a		6a	Social security benefits	6a		c	If you elect to use the lump-sum election method, check here (see instructions)	c	<input type="checkbox"/>	7	Capital gain or (loss). Attach Schedule D if required. If not required, check here	7	<input type="checkbox"/>	8	Additional income from Schedule 1, line 10	8		9	Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income	9		10	Adjustments to income from Schedule 1, line 26	10		11	Subtract line 10 from line 9. This is your adjusted gross income	11		12	Standard deduction or itemized deductions (from Schedule A)	12		13	Qualified business income deduction from Form 8995 or Form 8995-A	13		14	Add lines 12 and 13	14		15	Subtract line 14 from line 11. If zero or less, enter -0-. This is your taxable income	15	
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Attach Sch. B if required.																																																																																																								
Standard Deduction for— • Single or Married filing separately, \$14,600 • Married filing jointly or Qualifying surviving spouse, \$29,200 • Head of household, \$21,900 • If you checked any box under Standard Deduction, see instructions.																																																																																																								
For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions.																																																																																																								
Cat. No. 11320B			Form 1040 (2024)																																																																																																					

*

Reporting Forms: Form 1040

Form 1040 (2024)		Page 2
Tax and Credits	16 Tax (see instructions). Check if any from Form(s): 1 <input type="checkbox"/> 8814 2 <input type="checkbox"/> 4972 3 <input type="checkbox"/> _____	16
	17 Amount from Schedule 2, line 3	17
	18 Add lines 16 and 17	18
	19 Child tax credit or credit for other dependents from Schedule 8812	19
	20 Amount from Schedule 3, line 8	20
	21 Add lines 19 and 20	21
	22 Subtract line 21 from line 18. If zero or less, enter -0-	22
	23 Other taxes, including self-employment tax, from Schedule 2, line 21	23
	24 Add lines 22 and 23. This is your total tax	24
Payments	25 Federal income tax withheld from:	
	a Form(s) W-2	25a
	b Form(s) 1099	25b
	c Other forms (see instructions)	25c
	d Add lines 25a through 25c	25d
	26 2024 estimated tax payments and amount applied from 2023 return	26
	27 Earned income credit (EIC)	27
	28 Additional child tax credit from Schedule 8812	28
	29 American opportunity credit from Form 8863, line 8	29
	30 Reserved for future use	30
	31 Amount from Schedule 3, line 15	31
	32 Add lines 27, 28, 29, and 31. These are your total other payments and refundable credits	32
	33 Add lines 25d, 26, and 32. These are your total payments	33
Refund	34 If line 33 is more than line 24, subtract line 24 from line 33. This is the amount you overpaid	34
	35a Amount of line 34 you want refunded to you . If Form 8888 is attached, check here <input type="checkbox"/>	35a
Direct deposit? See instructions.	b Routing number _____ c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings	
	d Account number _____	
	36 Amount of line 34 you want applied to your 2025 estimated tax	36
Amount You Owe	37 Subtract line 33 from line 24. This is the amount you owe . For details on how to pay, go to www.irs.gov/Payments or see instructions	37
	38 Estimated tax penalty (see instructions)	38
Third Party Designee	Do you want to allow another person to discuss this return with the IRS? See instructions <input type="checkbox"/> Yes . Complete below. <input type="checkbox"/> No	
	Designee's name _____ Phone no. _____	Personal identification number (PIN) _____
Sign Here	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.	
	Your signature _____ Date _____	Your occupation _____
	Spouse's signature. If a joint return, both must sign. _____ Date _____	Spouse's occupation _____
Joint return? See instructions. Keep a copy for your records.	Phone no. _____	Email address _____
Paid Preparer Use Only	Preparer's name _____	Preparer's signature _____
	Firm's name _____	Phone no. _____
	Firm's address _____	Firm's EIN _____
	Date _____	PTIN _____
	Check if: <input type="checkbox"/> Self-employed	

Go to www.irs.gov/Form1040 for instructions and the latest information.

Form **1040** (2024)

IRS Form 1040

IRS Reporting of IRA Rollover Contributions

Instructions for Form 5498

The IRS has created the Form 5498 and requires the IRA custodian to prepare and file it, because it will assist the IRS in determining if an individual has properly reflected on his or her federal income tax return the contributions he or she claims being made on his or her tax return.

Rollover contributions including direct rollover contributions are reported in box 2

IRA type is checked in box 7.

Late rollover contributions are reported in box 13a

Repayment rollover contributions are reported in box 14a.

2828		<input type="checkbox"/> VOID <input type="checkbox"/> CORRECTED		OMB No. 1545-0747	
TRUSTEE'S or ISSUER'S name, street address, city or town, state or province, country, and ZIP or foreign postal code		1 IRA contributions (other than amounts in boxes 2-4, 8-10, 13a, and 14a)		2024 Form 5498	
		\$			
TRUSTEE'S or ISSUER'S TIN		2 Rollover contributions		4 Recaptured contributions	
		\$			
PARTICIPANT'S TIN		3 Roth IRA conversion amount		5 FMV of account	
		\$		\$	
PARTICIPANT'S name		6 Life insurance cost included in box 1		7 IRA <input type="checkbox"/> SEP <input type="checkbox"/> SIMPLE <input type="checkbox"/> Roth IRA <input type="checkbox"/>	
		\$		8 SEP contributions	
Street address (including apt. no.)		9 SIMPLE contributions		10 Roth IRA contributions	
		\$		\$	
City or town, state or province, country, and ZIP or foreign postal code		11 Check if RMD for 2025 <input type="checkbox"/>		12a RMD date	
		\$		12b RMD amount	
Account number (see instructions)		13a Postponed/late contribution		13b Year	
		\$		13c Code	
		14a Repayments		14b Code	
		\$			
		15a FMV of certain specified assets		15b Code(s)	
		\$			

Form 5498 Cat. No. 50010C www.irs.gov/Form5498 Department of the Treasury - Internal Revenue Service

IRA Contribution Information

Copy A

For Internal Revenue Service Center

File with Form 1096.

For Privacy Act and Paperwork Reduction Act Notice, see the 2024 General Instructions for Certain Information Returns.

IRS Reporting of an IRA Rollover Transaction

The IRA distribution is reported on Form 1099-R with a reason code 1 or 7 as applicable. The form indicates the distribution is taxable. The individual completed their tax return is not taxable because the distribution was rolled over.

The IRA Rollover contribution is reported in box 2 if a qualifying rollover and in box 13 if a late rollover for which the individual has furnished a late rollover certification form.

A non-complying Rollover is reported in box 1 as a regular IRA contribution.

IRS Reporting of Distribution Related to IRA Rollover Contributions

9898 <input type="checkbox"/> VOID <input type="checkbox"/> CORRECTED				OMB No. 1545-0119		Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.		
PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.			1 Gross distribution \$		<div style="font-size: 2em; font-weight: bold;">2024</div>			
			2a Taxable amount \$					
			2b Taxable amount not determined <input type="checkbox"/>					
PAYER'S TIN			RECIPIENT'S TIN		Form 1099-R			
					Copy A For Internal Revenue Service Center			
RECIPIENT'S name			3 Capital gain (included in box 2a) \$		4 Federal income tax withheld \$			
			File with Form 1096.					
Street address (including apt. no.)			5 Employee contributions/ Designated Roth contributions or insurance premiums \$		6 Net unrealized appreciation in employer's securities \$			
			7 Distribution code(s)					
City or town, state or province, country, and ZIP or foreign postal code			9a Your percentage of total distribution %		9b Total employee contributions \$			
			8 Other \$ %					
10 Amount allocable to IRR within 5 years \$		11 1st year of desig. Roth contrib.		12 FATCA filing requirement <input type="checkbox"/>		14 State tax withheld \$		
13 Date of payment		15 State/Payer's state no.		16 State distribution \$				
Account number (see instructions)			17 Local tax withheld \$		18 Name of locality		19 Local distribution \$	

Form **1099-R**
Cat. No. 14436Q
www.irs.gov/Form1099R
Department of the Treasury - Internal Revenue Service

From pension plan to an IRA – there is special reporting

From an IRA to an IRA

No Special reporting – Report as any other distribution which would not be Rolled over

IRS Reporting of IRA Direct Rollover

9898		<input type="checkbox"/> VOID <input type="checkbox"/> CORRECTED			
PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.		1 Gross distribution \$ 50000.00		OMB No. 1545-0119 <div style="font-size: 2em; font-weight: bold;">2024</div> Form 1099-R	Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.
		2a Taxable amount \$ 50000.00			
		2b Taxable amount not determined <input type="checkbox"/> Total distribution <input checked="" type="checkbox"/>			
PAYER'S TIN	RECIPIENT'S TIN	3 Capital gain (included in box 2a) \$	4 Federal income tax withheld \$	Copy A For Internal Revenue Service Center File with Form 1096. For Privacy Act and Paperwork Reduction Act Notice, see the 2024 General Instructions for Certain Information Returns.	
RECIPIENT'S name		5 Employee contributions/ Designated Roth contributions or insurance premiums \$	6 Net unrealized appreciation in employer's securities \$		
Street address (including apt. no.)		7 Distribution code(s) <div style="text-align: center; font-size: 1.2em;">1 or 7</div>	8 Other \$ %		
City or town, state or province, country, and ZIP or foreign postal code		9a Your percentage of total distribution %	9b Total employee contributions \$		
10 Amount allocable to IRR within 5 years \$	11 1st year of desig. Roth contrib.	12 FATCA filing requirement <input type="checkbox"/>	14 State tax withheld \$	15 State/Payer's state no.	16 State distribution \$
Account number (see instructions)		13 Date of payment	17 Local tax withheld \$	18 Name of locality	19 Local distribution \$

Form **1099-R**
Cat. No. 14436Q
www.irs.gov/Form1099R
Department of the Treasury - Internal Revenue Service

From an IRA to an IRA0

IRS Reporting of 401(k) Direct Rollover to an IRA

9898

☐ VOID

☐ CORRECTED

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.

1 Gross distribution

OMB No. 1545-0119

\$ 50000.00

2a Taxable amount

2024

\$ 0.00

Form 1099-R

Distributions From
Pensions, Annuities,
Retirement or
Profit-Sharing Plans,
IRAs, Insurance
Contracts, etc.

2b Taxable amount
not determined ☐

Total
distribution ☒

Copy A

For
Internal Revenue
Service Center

PAYER'S TIN

RECIPIENT'S TIN

3 Capital gain (included in
box 2a)

4 Federal income tax
withheld

File with Form 1096.

RECIPIENT'S name

5 Employee contributions/
Designated Roth
contributions or
insurance premiums

6 Net unrealized
appreciation in
employer's securities

For Privacy Act
and Paperwork
Reduction Act
Notice, see the
2024 General
Instructions for
Certain
Information
Returns.

Street address (including apt. no.)

7 Distribution
code(s) G

IRA/
SEP/
SIMPLE
☐

8 Other

\$ %

City or town, state or province, country, and ZIP or foreign postal code

9a Your percentage of total
distribution %

9b Total employee contributions
\$

10 Amount allocable to IRR
within 5 years

11 1st year of desig.
Roth contrib.

12 FATCA filing
requirement
☐

14 State tax withheld
\$

15 State/Payer's state no.

16 State distribution
\$

\$

Account number (see instructions)

13 Date of
payment

17 Local tax withheld
\$

18 Name of locality

19 Local distribution
\$

Form 1099-R

Cat. No. 14436Q

www.irs.gov/Form1099R

Department of the Treasury - Internal Revenue Service

Summary

There are seven (7) cardinal IRA rollover rules

1. An RMD is never eligible to be rolled over
2. A person is authorized to roll over only one distribution within a 12 month period (365 days)
3. The rollover must be completed within 60 days of the distribution
4. If property is distributed (and not cash), such property must be rolled over. The property cannot be sold and the proceeds rolled over as is the case when property is distributed from a qualified plan.
5. SIMPLE IRA funds may be rolled over into a traditional IRA, SEP-IRA, or 401(k) plan or vice versa only if the individual has met the 2 year requirement.
6. A non-spouse beneficiary of an inherited IRA is never eligible to roll over a distribution from an inherited IRA
7. Roth IRA funds can only be rolled over into the same or a different Roth IRA.

When can the IRS grant relief if an individual fails to comply with any of these 7 rules ?

The IRS' position is, we can grant relief if the individual failed to comply with 60 day requirement, but if the failure is for any of the other six (6) rules, we cannot grant relief.

The IRS has been granted the authority by a 2001 tax law to grant relief to someone who has missed the 60 day rule because he or she incurred some difficulty or hardship and it would unjust or inequitable for the IRS to not waive the 60 day rule for the individual. Waive means the IRS creates a new 60 day period for the individual to complete the rollover.

The IRS' position is – it does not have the authority to grant rollover relief to a person who fails to comply with any of the other rollover rules.

The IRS cannot grant relief to any person who has taken multiple IRA distributions during a twelve month period and makes an ineligible rollover contribution.

3 IRS Methods of Relief – Waiving the 60 Day Requirement

1. Automatic Waiver
2. Formal Written Request
3. Self-Certification

Background: Congress passed a law requiring the IRS to grant relief with respect to a failed rollover due to the 60 day Rule if equity and fairness require it.

New law unclear – correcting an inadvertent error

CWF's Comment – most IRA errors will not be inadvertent

Automatic Waiver – 60 Day Requirement

IRS Authorizes an Automatic Waiver of 60-Day Rollover Rule

An automatic waiver of the 60-Day requirement is granted by the IRS if the following conditions have been met: (i) the financial institution received the funds from the individual before the end of the 60-day period; (ii) the individual followed all of the financial institution's procedures for making a rollover contribution into another eligible retirement plan; (iii) solely due to an error by the financial institution, the funds were not timely deposited into the other eligible retirement plan; (iv) the deposit must have constituted a valid rollover but for the delay and (v) the funds must be deposited within one year from the beginning of the 60-day rollover period (*i.e. the day after the day of receipt*). The source of authority for this automatic waiver is Revenue Procedure 2003-16. It is effective beginning January 23, 2003.

Automatic Waiver – 60 Day Requirement

IRS Authorizes an Automatic Waiver of 60-Day Rollover Rule

Determination of Eligibility to Use the Automatic Waiver of the 60-Day Rollover Rule

Purpose. This form is to be used by an IRA custodian to certify that a failed rollover is eligible to be treated as a qualifying rollover because the automatic waiver rules as described in Revenue Procedure 2003-16 apply. You, as the IRA accountholder, will want to keep a copy of this form in your permanent file.

From: IRA Custodian/Trustee—

Name _____
Address _____
City _____ St _____ Zip _____

To: IRA Accountholder—

Name _____
Address _____
City _____ St _____ Zip _____
SSN: _____
Type of IRA: ☐ Traditional ☐ Roth

History of Attempted Rollover

You received an eligible rollover distribution from an eligible retirement plan on _____ (date). You then attempted to make a rollover contribution with us in the amount of \$ _____ on _____ (date). We, as the IRA custodian, made a mistake and failed to timely deposit your funds into an IRA of the correct type. On _____ (date) we deposited your rollover contribution amount (plus an amount equal to the amount of earnings which would have been realized, if applicable) into the correct type of IRA.

☐ The accountholder provided the financial institution with a valid rollover certification form.

Determination and Certification of Eligibility to Use the Special Waiver

An automatic waiver of the 60-day rollover rule is granted by the IRS if the following five (5) conditions have been met:

1. The IRA Custodian/Trustee received the funds from the individual before the end of the 60-day period;
2. The individual followed all of the IRA Custodian's/Trustee's procedures for making a rollover contribution into an IRA of the correct type;
3. Solely due to an error by the IRA Custodian/Trustee, the funds were not timely deposited into the proper type of IRA;
4. The deposit must have constituted a valid rollover but for the delay; and
5. The funds must have been deposited within one year from the beginning of the 60-day rollover period (i.e. the day after the day of receipt).

We hereby certify that the rollover funds in question meet the five conditions as described above.

Signatures:

Authorized Signature of Custodian/Trustee _____

Date _____

Waiving the 60-Day Rollover Requirement

How to I obtain a waiver of the 60-day rollover requirement?

To obtain a waiver, you must request a ruling pursuant to Revenue Procedure 2003-16 and Revenue Procedure 2014-4 the appropriate user fee must accompany every request for extension of the 60-day rollover period (*see the user fee chart in Revenue Procedure 2014-8*).

Where do I send the request for a waiver?

You should submit the information described above as a ruling request, accompanied by the appropriate user fee to the IRS at the following address:

Internal Revenue Service
P.O. Box 27063
McPherson Station
Washington, DC 20038

Waiving the 60-Day Rollover Requirement

Who is eligible to request extensions of the 60-day rollover period?

Only an individual initially eligible to roll over the distribution concerning which the extension is requested, or their legal representative, is ineligible to request an extension of the 60-day rollover period. Thus, only IRA owners, plan participants and surviving spouses treated as distributees or payees of the distributions are eligible to roll over funds distributed from an IRA or a plan. As a general rule, a non-spouse beneficiary of an IRA holder or a qualified plan participant is not eligible to roll over a distribution received from either an IRA even if a distribution is made without the consent of the non-spouse beneficiary. Thus, a non-spouse beneficiary will not receive an extension of the 60-day rollover period.

How does the IRS process requests for extension?

The IRS will process requests for extension of the 60-day rollover period in the order received. However, requests that do not include the appropriate user fee and/or that do not comply with the procedural requirements described above will be returned to you.

Waiving the 60-Day Rollover Requirement

How does IRS determine whether to grant a waiver?

In determining whether to grant a waiver, the IRS will consider all relevant facts and circumstances including:

- whether errors were made by the financial institution (*in addition to those described under automatic waiver, above*);
- whether you were unable to complete the rollover due to death, disability, hospitalization, Incarceration, restrictions imposed by a foreign country or postal error;
- whether you used the amount distributed (*for example, in the case of payment by check, whether you cashed the check*); and
- how much time has passed since the date of distribution.

Waiving the 60-Day Rollover Requirement

State the name of the qualified retirement plan or IRA trustee/custodian where you intend to deposit the funds that are subject matter of the ruling request if the IRS approves the request;

State your date of birth and whether you are 70½ or older. (if so, some of the funds distributed may be ineligible for rollover treatment because they are required to be distributed under the minimum required distribution rules of sections 408(a)(9) or 401(a)(9) – you may need to check with the holder of the IRA or plan administrator for this);

If this waiver request involves an IRA to IRA rollover, state whether the one rollover per year rule of section 408(d)(3)(B) of the internal Revenue Code applies to the distribution which is the subject matter of the extension request.

A signed and dated perjury statement signed and dated by you as the taxpayer (*not your representative*) as follows:

“Under penalties of perjury, I declare that I have examined this request, including accompanying documents, and, to the best of my knowledge and belief, the request contains all the relevant facts relating to the request and such facts are true, correct and complete.”

Waiving the 60-Day Rollover Requirement

The request for extension should state how long an extension you need to make the rollover a request may be made for an extension of a period not exceeding 60 days as measured from the date of issuance of the letter ruling granting the waiver of the 60-day rollover period.

Powers of Attorney:

If an authorized representative submits your request for extension, then you must submit a Form 2848, *Power of Attorney and Declaration of Representative*, with the request

Waiving the 60-Day Rollover Requirement

What information must I submit to obtain a waiver?

Revenue Procedure 2014-4, Appendix A, contains a sample letter ruling request format. Appendix B contains a checklist of information that you should submit with ruling requests made under the revenue procedure. You should supply the following additional information when making a request for an extension:

- a. Either the full name of the qualified retirement plan and the name of the employer which sponsors the plan, or the full name of the IRA holder and the name of the trustee/custodian of the IRA making the distribution.
- b. If the request is being made on behalf of a surviving spouse (*beneficiary*) of an IRA holder or plan participant, a copy of the beneficiary designation and a copy of the death certificate;
- c. If an IRA, the account number;
- d. The amount(s) of the distribution(s)
- e. The date(s) the distribution(s) was/were made;
- f. The amount of federal and/or state taxes, if any, withheld from the distribution;
- g. Form 1099R, if available;
- h. A statement as to why the distribution(s) was/were made. The statement should indicate what was intended to be done with the distribution at the time of receipt, and should contain a description of what was actually done with the distribution including the name of the financial institution where the distribution was deposited, if applicable;

Waiving the 60-Day Rollover Requirement

A detailed explanation as to why the 60-day rollover requirement was not met, such as:

- A description of any medical problems of the taxpayer and how the problems caused the failure to meet the 60-day requirement.
- A description of any erroneous information from, or mistake by, a financial institution. If the erroneous information was in writing, copies of the correspondence must accompany the ruling request. If possible, provide a letter from the financial institution that committed the error acknowledging responsibility.
- Descriptions of any other event(s) or causes that prevented the completion of the rollover within 60 days.

Note: If you are basing the request for extension on erroneous advice/information, an explanation as to how the information affected your ability to complete the rollover within the requisite 60-day period.

All documentation relevant to the hardship being claimed which prevented the timely completion of the rollover, including doctor's statements or bills regarding any mental or medical impairment, copies of any correspondence to or from the doctor(s) and medical institutions, and copies of completed financial or institutional forms:

Evidence that you have not used the distributed funds (*e.g. copies of bank statements, etc.*);

Waiving the 60-Day Rollover Requirement

Filing Fees or User Fees

	<u>For 2015</u>	<u>For 2016-2025</u>
• Rollovers less than \$50,000	\$500	\$10,000
• Rollovers of \$50,000 to less than \$100,000	\$1,500	\$10,000
• Rollovers of \$100,000 or more	\$3,000	\$10,000

Possibility of IRS waiving fee ? The IRS has furnished no written guidance. Very unlikely.

Waiving the 60-Day Rollover Requirement

IRS Issues Additional Procedure For Waiver of 60-Day Rollover Requirement Self-Certification Procedure – Late Rollover Certification

How does this self-certification procedure work?

The IRA owner will furnish the IRA custodian/trustee with a written certification meeting the following requirements. The IRA owner may use the IRS' model letter set forth in the appendix of Revenue Procedure 2016-47 on a word-for-word basis or by using a form or letter that is substantially similar in all material respects.

The IRS now in the course of examining a taxpayer's individual tax return may determine that the person qualifies for a waiver of the 60-day rollover requirement.

Waiving the 60-Day Rollover Requirement

IRS Issue Additional Procedure For Waiver of 60-Day Rollover Requirement and Additional Self-Certification Procedure

It appears a person whose reason for missing the 60-day requirement is not included in the list of reasons is unable to use this self-certification procedure.

The IRA custodian is authorized to rely on the IRA owner's self-certification for purposes of accepting the rollover and reporting it unless it has actual knowledge contrary to the self-certification.

The IRS has created this self-certification method because it had to have some alternative procedure to allow taxpayers to seek a waiver of the 60-day rule as discussed in Revenue Procedure 2003-16 as the increasing filing fee meant most taxpayers no longer would be using the application process.

Waiving the 60-Day Rollover Requirement

IRS Issues Additional Procedure For Waiver of 60-Day Rollover Requirement and Additional Self-Certification Procedure

CWF Form 65-C

Certification for Late IRA Rollover Contribution

To: IRA Custodian/Trustee

Name _____ Date: _____
Address _____ Phone: _____
City _____ State _____ Zip _____

From: IRA Accountholder

Name _____ Phone: Home _____
Home Address _____ Phone: Work _____
City _____ State _____ Zip _____ SSN _____
County _____ Date of Birth _____ Plan No. _____

Dear Sir or Madam:

Pursuant to Internal Revenue Service Revenue Procedure 2016-47, I certify that my contribution of \$ _____ missed the 60-day rollover deadline for the reason(s) listed below under Reasons for Late Contribution. I am making this contribution as soon as practicable after the reason or reasons listed below no longer prevent me from making the contribution. This requirement is deemed to be satisfied if the contribution is made within 30 days after the reason or reasons no longer prevent one from making the contribution. I understand that this certification concerns only the 60-day requirement for a rollover and that, to complete the rollover, I must comply with all other tax law requirements for a valid rollover and with your rollover procedures.

Pursuant to Revenue Procedure 2016-47, unless you have actual knowledge to the contrary, you may rely on this certification to show that I have satisfied the conditions for a waiver of the 60-day rollover requirement for the amount identified above. You may not rely on this certification in determining whether the contribution satisfies other requirements for a valid rollover.

Reasons for Late Contribution

I intended to make the rollover within 60-days after receiving the distribution but was unable to do so for the following reason(s) (check all that apply):

- ☐ An error was committed by the financial institution making the distribution or receiving the contribution.
- ☐ The distribution was in the form of a check and the check was misplaced and never cashed.
- ☐ The distribution was deposited into and remained in an account that I or the IRA custodian mistakenly thought was a retirement plan or IRA.
- ☐ My principal residence was severely damaged.
- ☐ One of my family members died.
- ☐ I or one of my family members was seriously ill.
- ☐ A postal error occurred.
- ☐ The distribution was made on account of an IRS levy and the proceeds of the levy have been returned to me.
- ☐ The party making the distribution failed to provide me with required information regarding my rollover rights despite my reasonable efforts to obtain this information.

Signature

I declare that the representations made in this document are true and that the IRS has not previously denied a request for a waiver of the 60-day rollover requirement with respect to a rollover of all or part of the distribution to which this contribution relates. I understand that in the event I am audited and the IRS does not grant a waiver for this contribution, I may be subject to income and excise taxes, interest, and penalties. If the contribution is made to an IRA, I understand you will be required to report my late rollover contribution to the IRS on Form 5498. I also understand that I should retain a copy of this signed certification with my tax records.

Signature of Accountholder _____ Date _____

Signature of Acknowledgment of Custodian/Trustee _____ Date _____

Waiving the 60-Day Rollover Requirement

IRS Issues Additional Procedure For Waiver of 60-Day Rollover Requirement and Additional Self-Certification Procedure

IRS Issues Additional Procedure For Waiver of 60-Day Rollover Requirement and Additional Self-Certification Procedure

The IRS issued Revenue Procedure 2016-47 on August 24, 2016. It modifies Revenue Procedure 2003-16. The IRS now in the course of examining a taxpayer's individual tax return may determine that the person qualifies for a waiver of the 60-day rollover requirement.

The IRS has created a third waiver method. The new waiver method is effective on August 24, 2016. The first waiver method set forth in Revenue Procedure 2003-16 requires the taxpayer to file an application requesting a waiver of the 60-day rule and the IRS must grant the waiver. The second waiver method authorizes an automatic waiver of the 60-day rule if four requirements are met.

Why this new IRS procedure? In January of 2016 the IRS changed the filing fees that a taxpayer must pay when submitting his or her waiver application. In 2015, the filing fee was \$500 if the purported rollover was less than \$50,000, \$1,500 if the rollover amount was less than \$100,000 but equal to or more than \$50,000 and \$3,000 if the rollover amount was \$100,000 or more.

The IRS increased the fee to \$10,000 for all such waiver applications. Apparently the IRS concluded that it no longer could afford to assign the personnel it had assigned to process these waiver requests. Presumably, many taxpayers and tax professionals have expressed their dissatisfaction to the IRS. The \$10,000 filing fee means many taxpayers are no longer able to have the IRS process their application and receive a concrete ruling that they were or were not entitled to a waiver of the 60-day rule. The application process means a taxpayer has tax certainty.

In Revenue Procedure 2016-47 the IRS authorizes a self-certification procedure that a taxpayer may use to request the waiver of the 60-day requirement rather than using the application procedure. The IRS tentatively grants the waiver upon the making of the self-certification and the taxpayer is permitted to prepare his or her tax return to reflect that he or she made a complying rollover so the distribution amount is not required to be included in his or her taxable income. However, the IRS retains the right to examine the individual's tax return for such year (i.e. audit) and determine if the requirements for a waiver of the 60-day rule were or were not met. If the IRS determines the individual was not entitled to a waiver of the 60-day rule, the individual will have to include such distribution in his or her income and will have an excess IRA contribution situation needing to be corrected. The IRS explanation gives a limited discussion of the adverse consequences. If the IRS does not grant the waiver then the person may be subject to income and excise taxes, interest and penalties. One of the penalties which might apply would be the 25% tax for understating one's income.

This self-certification procedure applies to distributions from any type of IRA and also from a 401(k) plan or other qualified plan and certain 403(b) and 457 plans.

The IRS has stated that it will be modifying the Form 5498 so that an IRA custodian which accepts a rollover contribution pursuant to this self-certification procedure after the 60-day deadline will complete such person's Form 5498 to report that the rollover contribution was accepted after the 60-day deadline. The IRS will then be able to examine the tax returns of these taxpayers and

the purported rollovers.
How does this self-certification procedure work?

The IRA owner will furnish the IRA custodian/trustee with a written certification meeting the following requirements. The IRA owner may use the IRS' model letter set forth in the appendix of Revenue Procedure 2016-47 on a word-for-word basis or by using a form or letter that is substantially similar in all material respects. The requirements:

1. The IRS must not have previously denied a waiver with respect to a rollover of all or part of the distribution involved in the late rollover.
2. The IRA owner must make his or her rollover contribution as soon as practicable once the reason(s) for missing the 60-day deadline no longer apply. This requirement is deemed satisfied if the rollover contribution is made within 30 days after the reason or reasons no longer prevent the IRA owner from making the rollover contribution.
3. The taxpayer must have missed the 60-day deadline for one or more of the following reasons:
 - An error was committed by the financial institution making the distribution or receiving the contribution.
 - The distribution was in the form of a check and the check was misplaced and never cashed.
 - The distribution was deposited into and remained in an account that you mistakenly thought was a retirement plan or IRA.
 - Your principal residence was severely damaged.
 - One of your family members died.
 - You or one of your family members were seriously ill.
 - You were incarcerated.
 - Restrictions were imposed by a foreign country.
 - A postal error occurred.
 - The distribution was made on account of an IRS levy and the proceeds of the levy have been returned to you.
 - The party making the distribution delayed providing information that the receiving plan or IRA required to complete the rollover despite my reasonable efforts to obtain the information.

A person whose reason for missing the 60-day requirement is not included in the list of reasons is unable to use this self-certification procedure.

The IRA custodian is authorized to rely on the IRA owner's self-certification for purposes of accepting the rollover and reporting it unless it has actual knowledge contrary to the self-certification.

The IRS has created this self-certification method because it had to have some alternative procedure to allow taxpayers to seek a waiver of the 60-day rule as discussed in Revenue Procedure 2003-16 as the increased filing fee meant most taxpayers no longer would be using the application process.

This new procedure will help some taxpayers, but it would not have been needed if the IRS would not have imposed the \$10,000 filing fee. One can hope the IRS will see reason and will reduce the fees for 2017. Most likely the IRS will not. Although the 11 reasons the IRS lists as warranting the waiver of the 60-day rule are certainly welcomed by taxpayers, there are certainly other reasons for which the IRS should grant relief.

IRA-to-IRA Rollovers

New changes made by the SECURE act and CARES Act

Waiver of RMDs – Rolling over Prior Distributions

In General – it can be done

Form 65

Form 65C

Special IRS Relief

Repaying a Disaster Distribution

3 Year Repayment Period – not 60 days

Not subject to once per year rule

Notifying IRA owners

Bipartisan Budget Act of 2018 – February 9, 2018

Two Changes

1. Disaster Relief Provisions Extended to California fires.
2. Another Rollover rule change.

The second change is with respect to the rollover rules. At times, in order to collect tax funds owed by a taxpayer the IRS will levy an individual's pension funds and/or the individual's IRA funds, including inherited funds. That is, a distribution occurs because the IRS requires the pension trustee or the IRA custodian to issue a check to the U.S. Treasury. Sometimes the IRS must return such funds to the individual. The new tax law provides the repayment of a wrongful levy as being eligible to be rolled over either into the pension plan or an IRA. The IRS has the duty to inform the individual that he or she is eligible to make this special rollover. This change applies to IRS payments made after December 31, 2017.

Continued – new Rollover Rules and proposed new laws

An IRA owner is considered to have received an IRA distribution because the IRS wrongfully levied his or her IRA. This person is authorized to return the withdrawn amount to their IRA (*or inherited IRA*). This special rollover must be made no later than the due date of the individual's tax return for the year the money is returned by the IRS, but not including an extension.

It appears a pension plan is not required to be written to accept such a rollover because such funds may be rolled over is the amount paid to the IRS which is repaid plus any interest paid by the IRS.

This special rollover contribution is not to be counted for purposes of the once per 12 month rollover rule.

This is the first law change expressly authorizing a rollover of inherited IRA funds.

Although this law change certainly benefits the affected taxpayers it does make the rollover rules more complex.

Other Exceptions to the 60 Day Rule – From the Tax Cuts Act

1. 3 Year rule for certain disaster area distributions
2. Tax Filing Deadline for certain loans

The Tax Cuts and Jobs Act of 2017 – December 22, 2017

Three Changes

1. 2018 Roth IRA Conversions are Irrevocable – cannot Recharacterize
Can Recharacterize Annual Conversions
A Primary Reason to Furnish the 2017-2018 IRA Amendment
2. Rolling over Outstanding Loans

There is a new rollover rule for certain 401(k) participants. Some 401(k) plans are written to allow participants to instruct to have loan made to themselves from their 401(k) account.

For example, Jane Doe has \$40,000 in the 401(k) and she borrows \$10,000. She quits her job and is to be distributed her 401(k) balance. She directly rolls over the \$30,000 in her 401(k) account. She needs to repay the \$10,000 loan. Under the old law she was considered to have been distributed the \$10,000. She had 60 days to roll it over. If she could not, she had to include to \$10,000 in her income. The new law allows her to repay the \$10,000 by her tax filing deadline rather than the standard 60 day period.

The Tax Cuts and Jobs Act of 2017 – December 22, 2017

Three Changes

3. Explanation of Tax Relief or Disaster Victims

Special tax relief is granted to IRA owners and pension plan participants who were victims of hurricanes Harvey, Irma and Maria. The new tax bill expands the tax relief. Rather than applying only to the victims of the three hurricanes, it applies to victims of any federally declared disaster occurring in 2016 or 2017.

Direct Payments to 401(k) Plans from IRAs

Traditional IRA → 401(k)

Yes

Roth IRA → 401(k)

No

Direct
Payment

Why traditional IRA → 401(k)

1. Accommodate the new employer
2. Higher earnings may be realized
3. Since most plans will not accept basis in a rollover, an individual may use a rollover into a qualified plan as a way to isolate his or her basis within a traditional IRA which then may be converted tax free into a Roth IRA.

The IRS uses the term direct payment for when an IRA custodian assists a person with taking an IRA distribution and making a rollover contribution to a 401(k) plan. The once per year rule does not apply for IRA purposes.

A “direct payment” is different from a direct transfer. It is a special type of rollover.

Direct Rollovers to 401(k) Plans from IRAs

CWF 69

Special Instruction Rollover from an IRA to a Qualified Plan, 403(b) or Section 457(b) Plan

Special Instruction Rollover from an IRA to a Qualified Plan, 403(b) Plan or Section 457(b) Plan

Print

Email

IRA Custodian/Trustee

Name _____
Address _____
City _____ State _____ Zip _____
Phone: _____

IRA Accountholder

Name _____
Home Address _____
City _____ State _____ Zip _____
County _____ Date of Birth _____
SSN _____ Plan No. _____
Phone: Home _____ Work _____

Plan Administrator or Trustee

Name _____
Address _____
City _____ State _____ Zip _____
Phone: _____
☐ Plan Administrator ☐ Trustee

Special Instructions and Certification by Accountholder

I, the IRA accountholder, hereby request that the IRA custodian/trustee send:

- ☐ my entire account balance, or
☐ the amount of \$ _____

from the accounts indicated in the "Financial Information" section of this form, to the specified trustee of the eligible retirement plan as listed above. Since it is reasonable to believe that this distribution is not includable in income because of the rollover instruction, I understand that the withholding rules do not apply to this distribution. Regardless, I expressly waive withholding.

I hereby irrevocably elect to roll over the amount distributed into the specified qualified plan, 403(b) or 457(b) plan.

I certify that I am only rolling over that part of my IRA which is taxable.

I have been advised to consult with my tax or legal advisor. I accept full responsibility that this distribution from my IRA account qualifies to be rolled over into the eligible retirement plan and that the requirements of Code section 408(d)(3)(A)(ii) have been met.

Signature of Accountholder

Date

Special Instructions and Certification by Qualified Plan Administrator or Trustee

I hereby certify that the plan which will receive the rollover contribution qualifies under Code Section 401(a), 403(b) or 457(b), as applicable. I assume full responsibility for the determination that these funds are eligible to be received as a rollover contribution and that the requirements of Code section 408(d)(3)(A)(ii) have been met.

Signature of Plan Administrator or Trustee

Date

Purpose – The IRA accountholder has determined that he or she wishes to roll over funds or assets from the referenced IRA to the referenced eligible retirement plan. Prior to January 1, 2002, a rollover from an IRA to a qualified plan or 403(b) plan was permissible only if the IRA qualified as a conduit IRA. The Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA) revised federal income tax law to allow for additional rollovers. See the summary on the reverse side as excerpted from the IRS Publication 590.

Note an accountholder is not eligible to roll over any of his or her basis (i.e. nondeductible contributions) with respect to an IRA.

The purpose of this form is to create the authority for the IRA custodian/trustee to remit the funds on behalf of the IRA accountholder directly to the eligible retirement plan. This special instruction is needed because the Internal Revenue Code does not authorize a direct rollover from an IRA to an eligible retirement plan as it does for a direct rollover of funds from an eligible retirement plan to an IRA. For federal income tax purposes, the IRA custodian/trustee must treat this transaction as if there was a distribution to the IRA accountholder. Therefore, the IRA custodian/trustee will prepare a Form 1099-R, reporting the distribution to the IRS. The Distribution will be reported on Form 1099-R as a Distribution Code G "Direct Rollover to an eligible retirement plan."

The IRA accountholder should be aware that the eligible retirement plan does not report to the IRS that it received an IRA rollover contribution on behalf of a specific individual as is done by an IRA custodian which receives a direct rollover contribution.

Financial Information

	Investment Account #	Investment Account #
Amount Requested (+)		
Earnings Not Yet Reported to DP (+)		
Interest Penalty (-)		
Fees (-)		
Net Amount Rolled Over (=)	\$0.00	\$0.00

	Investment Account #	Investment Account #
Amount Requested (+)		
Earnings Not Yet Reported to DP (+)		
Interest Penalty (-)		
Fees (-)		
Net Amount Rolled Over (=)	\$0.00	\$0.00

Qualified Retirement Plan (QRP)-to-IRA Rollovers

- Purposes – can be many
 - Into traditional IRA to gain tax deferral
 - Into a Roth IRA to gain contributing to a Roth IRA
- Requirements Employer/401(k) Administrator must furnish Section 402(f) Notice (401(k) Distribution form).
- Form must provide 3 options:
 1. Direct Rollover Entire Balance
 2. Be paid cash- 80% to individual
 - 20% withhold and paid to IRS for the IRS for the individual
 3. Combination of Options 1 and 2.
- With option #2, the individual would be eligible to rollover the amount distributed.

Cardinal Rule: Obtain a copy of the 402(f) Notice/Election Form

QRP-to-IRA Rollovers

Direct Rollover or Rollover

Qualified Retirement Plan (QRP)-to-Traditional or Roth IRA

Requirements:


- Eligible pension, profit sharing, 401(k), certain tax-sheltered annuities, any employer sponsored qualified retirement plan.
- Eligible QRP distribution – Does **NOT** include:
- QRP required minimum distribution
- Any distribution based on life expectancy of 10 years or more
- Substantially equal periodic payments based on schedule of 10 years or more
- Annuity payments over 10 years or more
- Hardship distribution
- Corrective distribution
- Employer 402(f) Notice required to clarify
- 60-Day Rule when applicable (*waiver could apply*).
- In-kind rollover allowed

Qualified Retirement Plan (QRP)-to-IRA Rollovers

Employer/ 401(k) Administrator must determine and inform the individual if the distribution is eligible to be rolled over.

Obtain a copy of the 401(k) distribution form.

CWF Form 66

Request to be Furnished the Plan's 401(k) or 403(b) Distribution Form and Request for a Direct Rollover	
Date _____	
To: 401(k)/403(b) Administrator or Trustee/Issuer for _____ Plan Name	
Address _____	
City _____	State _____ Zip _____
Contact Person _____	
Email _____	
From: Plan Participant	
Name _____	
Address _____	
City _____	State _____ Zip _____
Email _____	
Subject: Request to be Furnished the Plan's 401(k) or 403(b) Distribution Form and Request for a Direct Rollover	
I am a plan participant. I understand that I am eligible to withdraw funds from my vested account balance.	
I am notifying you I wish to take a distribution and that I intend to directly rollover at least a portion of my distribution.	
Please furnish me with your 401(k) distribution form so I can complete it to inform you how I will structure my distribution(s). I intend to complete the form to instruct that _____ is the financial institution which is going to serve as the custodian/trustee of my IRA(s).	
Such a 401(k) distribution form is often called the section 402(f) notice. Federal tax rules require that this form present me with the following three options.	
<ol style="list-style-type: none"> 1. Directly rollover an amount equal to 1%-100% of my vested account balance, but at least \$200; 2. Be paid cash, but then I will be paid a maximum of 80% of the distribution amount with 20% being withheld for federal income tax purpose; or 3. Directly rollover a portion of my distribution amount and take the remainder in cash subject to the 20% withholding requirement. 	
I understand the 401(k) or 403(b) administrator does not have the authority to require me to directly rollover 100% of my account balance or require me to take only a lump sum or cash distribution. I can do both.	
If I am subject to the required distribution rules I understand that my required distribution amount is ineligible to be directly rolled over. State income tax consequences, if any, will be discussed in the distribution information you furnish to me.	
I will appreciate your prompt response to my request. I intend to submit the completed distribution form promptly.	
I ask that you acknowledge your receipt of my request by signing below and furnishing me a copy of this form.	
Signature of Plan Administrator/Trustee _____	Date _____
Sincerely,	
Signature of Plan Participant _____	Date _____
 IRA #66 (6/19)	© 2019 Collin W. Fritz & Associates, Ltd.

CWF Form 66-A

Direct Rollover Request Form		Print
		Email
To: Plan Administrator or Employer or 403(b) Provider Name _____ Phone _____ Address _____ City _____ State _____ Zip _____		
From: Plan Participant Name _____ Phone _____ Home Address _____ SSN _____ City _____ State _____ Zip _____		
Re: Plan Name: _____		
Dear Plan Administrator or 403(b) Provider: <p>I am entitled, under the terms of the referenced plan, to receive a distribution of my vested account balance. This form only covers the funds I have in the plan which are Non-Designated Roth funds. <input type="checkbox"/> By checking this box I am indicating to you that I believe I also have Designated Roth funds within the plan. In such case, I will be furnishing you CWF Form 66-R (Direct Rollover Request Form for a Designated Roth Account) or a similar form. I also understand that my distribution is eligible to be rolled over to a traditional IRA and/or a Roth IRA. You hereby certify that my distribution is eligible to be rolled over and/or my distributions are eligible to be rolled over.</p> <p>The Unemployment Compensation Act of 1992 revised the Internal Revenue Code so that I, as a participant of a qualified plan, a 403(b) plan, or another eligible retirement plan, am entitled to instruct you to directly roll over my vested account balance to an IRA or another eligible plan. I hereby instruct you that I wish to make a direct rollover(s). I also understand that Internal Revenue Code regulation 1.401(a)(31) -1(Q&A9) grants me the legal right to have both a payout to me of the sum I specify and also to have a direct rollover of the remainder, as long as such remainder exceeds \$500.</p> <p>I will complete whatever forms you require in order to achieve the direct rollover(s), including having my spouse, if any, consent to this distribution, if such spousal consent is mandatory.</p>		
Express Instructions to Plan Administrator or Employer: I have established an Individual Retirement Account (IRA) with the custodian/trustee named below. The custodian/trustee has signed below, thereby expressly indicating that (1) my designated IRA is an IRA meeting the requirements of Code section 408 and/or 408A and (2) that the IRA custodian/trustee will accept the direct rollovers for my benefit. I certify that if I am instructing to directly rollover these funds into my SIMPLE IRA that I have satisfied the 2 year requirement. I hereby instruct you to: <input type="radio"/> 1. Directly roll over \$ _____ to my: <input type="checkbox"/> Traditional IRA <input type="checkbox"/> SEP-IRA <input type="checkbox"/> SIMPLE-IRA. No withholding applies. The check will be made out as follows: _____ (name of custodian/trustee) for _____ (Participant's name) Traditional IRA.** <input type="radio"/> 2. Directly roll over \$ _____ to a conversion Roth IRA. No withholding applies. The check will be made out as follows: _____ (name of custodian/trustee) for _____ (Participant's name) Roth IRA.** <input type="radio"/> 3. Mail to the IRA custodian/trustee as follows: Name _____ Address _____ City _____ State _____ Zip _____ Attention _____ <input type="radio"/> Furnish the check to me. <input type="radio"/> 3. Pay the Participant \$ _____. Withholding is 20% of this amount. Payments will go to the name and address listed in the Participant Information section.	Special Certification and Instruction to IRA Custodian/Trustee: A qualifying rollover contribution is one that satisfies the requirements of Code section 401(a)(31), 402(c), 403(a)(4), 403(b)(8), or 457(e)(16) and the applicable regulations. I hereby certify that the cash or other property that will be sent directly to the IRA custodian/trustee will qualify as a rollover contribution. I expressly assume full responsibility for my decision to directly roll over these funds. I have been advised to see my own tax advisor before making this decision to directly roll over these funds. I understand that my rollover instruction is irrevocable. I expressly certify that my direct rollover does not include any amount which is not eligible to be rolled over, especially any required minimum distribution amount. Special Instruction to IRA Custodian/Trustee on Conduit IRA Creation: <input type="radio"/> I wish to maintain these funds in a conduit IRA. Therefore, I want to keep these funds in a separate IRA plan agreement. <input type="radio"/> I do not wish to maintain these funds in a conduit IRA.	
Signatures Signature of Participant/ Traditional and/or Roth IRA Accountholder _____ Date _____ Signature of IRA Custodian/Trustee _____ Date _____		
<div style="display: flex; justify-content: space-between;"> IRA #66 (12/16) © 2016 Collin W. Fritz & Associates, Ltd. </div>		

QRP- to-IRA Rollovers

CWF Form 857A Page 2

Distribution Election/Instruction Participant	
Name: _____	
Plan Name: _____	
Distribution Election #1: If you are the PARTICIPANT OF A NON-DESIGNATED ROTH ACCOUNT, complete this section.	
<input type="checkbox"/> 1. Directly roll over \$_____ to a traditional IRA. No withholding applies. I hereby certify that this amount is comprised of taxable funds, if any, of \$_____, and also nontaxable funds (basis), if any, of \$_____. The check will be made out as follows: _____ (name of custodian/trustee) for _____ (Participant's name) traditional IRA.***	
<input type="checkbox"/> 2. Directly roll over \$_____ to a conversion Roth IRA. No withholding applies. I acknowledge that I must include this amount in my taxable income. In some cases it would be prudent for me to make estimated tax payments. I hereby certify that this amount is comprised of nontaxable funds (i.e. basis), if any, of \$_____ and also taxable funds, if any, of \$_____. The check will be made out as follows: _____ (name of custodian/trustee) for _____ (Participant's name) Roth IRA.***	
<input type="checkbox"/> 3. Pay me (i.e. the Participant) \$_____. If your distribution is eligible to be rolled over, then federal income tax withholding of 20% is mandatory and you will be paid 80%. If your distribution is ineligible to be rolled over, then your will need to complete the withholding instruction section. In general, 10% of the distribution must be withheld unless you instruct to have more or less withheld, including having no amount withheld.	
<input type="checkbox"/> 4. Internally do an in-plan conversion to a Designated Roth Account. No withholding applies. I acknowledge that I must include this amount in my taxable income. In some cases it would be prudent for me to make estimated tax payments. I hereby certify that this amount is comprised of nontaxable funds (i.e. basis), if any, of \$_____ and also taxable funds, if any, of \$_____. The funds will be transferred into my Designated Roth Account and invested as they are currently invested or as I otherwise instruct.	
Distribution Election #2: If you are the PARTICIPANT OF A DESIGNATED ROTH ACCOUNT, complete this section.	
The distribution of your Designated Roth funds is <input type="checkbox"/> qualified or it is <input type="checkbox"/> nonqualified.	
<input type="checkbox"/> 1. Directly roll over \$_____ to a Roth IRA. No withholding applies. The check will be made out as follows: _____ (name of custodian/trustee) for _____ (Participant's name) Roth IRA.***	
<input type="checkbox"/> 2. Directly roll over \$_____ to another Designated Roth 401(k) account. No withholding applies. The check will be made out as follows: _____ (name of custodian/trustee) for _____ (Participant's name) Designated Roth.***	
<input type="checkbox"/> 3. Pay me (i.e. the Participant) \$_____. Of this amount \$_____ is my Designated Roth Contribution and withholding does not apply. The remaining amount is the earnings amount and it is \$_____; 20% of this earnings amount or \$_____ may be required to be withheld for a nonqualified distribution.	
Distribution Election #3: If you are the PARTICIPANT, then in some situations you will be able to transfer your various accounts to another employer sponsored plan, but you need to complete this section.	
<input type="checkbox"/> 1. I wish to transfer my various accounts to another employer sponsored plan. I agree to complete whatever forms you require of me to have such a transfer(s).	
Withholding Election	
Your distribution is <u>not</u> eligible to be rolled over, and you instruct us, the plan trustee, as follows:	
<input type="checkbox"/> I elect to have no income tax withheld from my payments.	
<input type="checkbox"/> For a nonperiodic distribution, I want 10% withheld plus the following additional amount \$_____ (Complete with "0" or any larger amount.)	
<input type="checkbox"/> For a periodic distribution I want my withholding figured using _____ (number) of allowances and a marital status of: <input type="radio"/> Single, <input type="radio"/> Married, or <input type="radio"/> Married, but withhold at a higher single rate. <i>Optional:</i> I want the following additional amount withheld: \$_____ (Complete with "0" or any larger amount.)	
Signature of Plan Participant or Beneficiary — I, the undersigned Participant or Beneficiary, have made the above elections and instructions. I assume full responsibility for my elections and the related tax consequences. I acknowledge that I have been advised to seek the advice of my attorney and/or tax advisor.	
Signature: _____ Date: _____	
QP #857A Insert Page 2 (12/14) White — Plan Administrator Yellow — Participant Pink — Custodian/Trustee © 2014 Collin W. Fritz & Associates, Ltd.	

QRP- to-IRA Rollovers

CWF Form 65-B

IRA – Certification for Rollovers or Direct Rollover to a Traditional IRA, SEP-IRA or SIMPLE-IRA from a 401(k) Plan, or other Qualifying Employer Sponsored Plan

To: IRA Custodian/Trustee

Name _____ Date: _____
Address _____ Phone: _____
City _____ State _____ Zip _____

From: IRA Accountholder

Name _____ Phone: Home _____
Home Address _____ Phone: Work _____
City _____ State _____ Zip _____ SSN _____
County _____ Date of Birth _____ Plan No. _____

Re: Irrevocable election to make rollover or direct rollover contribution in the amount of \$ _____
to my ☐ traditional IRA, ☐ SEP-IRA or ☐ SIMPLE-IRA – Account Number _____

The money, or assets, comprising this rollover is a: (check and complete one)

☐ **Distribution from an Eligible Employer Plan for Direct Rollover to a traditional IRA, SEP-IRA or SIMPLE-IRA.**
I instructed my former employer/plan administrator to send you, as my IRA custodian/trustee, a direct rollover contribution. The plan administrator has either furnished you or me with a check made payable to you as the IRA custodian. You now have possession of this check and/or other similarly titled assets. The plan administrator:
☐ (a) has; or
☐ (b) has not sent you any additional administrative information certifying that the assets which were sent are eligible to be rolled over. I expressly assume all responsibility for the determination that the assets which are sent are eligible to be rolled over.

☐ **Distribution from an Eligible Employer Plan for Rollover to a traditional IRA, SEP-IRA or SIMPLE-IRA.**
I hereby certify that the cash or other property I contributed to the IRA referenced above qualifies as a rollover contribution pursuant to Internal Revenue Code sections 402(c), 403(a)(4), 403(b)(8) or 457(e)(16) and the applicable regulations. I certify that I am making this rollover within 60 days of the date I received the distribution. I received this distribution on _____. As the basis for my certification:
☐ (a) I have attached a written notice from the plan administrator, or my tax or legal advisor, that certifies these funds are eligible for rollover to an IRA.
☐ (b) I have **NOT** attached a written statement from the plan administrator, or from my tax advisor or legal advisor, stating that these funds are eligible for rollover to an IRA. I certify that I have been instructed that the information on the back of this form is for informational purposes only and may **NOT** be relied on by me to determine that this distribution is eligible for rollover.
☐ (c) I have made a rollover contribution under the special rules for a loan offset situation. My deemed distribution from the 401(k) plan or other qualified plan occurred on _____. I have made my rollover contribution by April 15 of the following year.
☐ (d) I have made a rollover contribution or contributions of IRA funds which the IRS levied and then returned to me. I certify I have made my rollover contributions by April 15 of the year following the year the IRA funds were returned to me. The IRS levied my IRA funds on _____. The IRS paid me some or all of such levied funds on _____.

I acknowledge that you have instructed me to consult with my legal or tax advisor because of the complexity and importance of this matter. I acknowledge I have read the reverse side. I expressly assume all responsibility for this rollover contribution. I also certify that I am not rolling over any part of a required minimum distribution (i.e. distributions required for the year you attain age 70½ and for each subsequent year). I certify that I have met the 2-year SIMPLE-IRA rollover requirement, if applicable. I understand that the tax consequences related to depositing funds in a traditional IRA or SEP-IRA which do not qualify for rollover treatment are extremely harsh and I hold you harmless if I do. I understand my rollover election or instruction is irrevocable. I also expressly acknowledge that if I have rolled over any after-tax employee contributions into my traditional IRA or SEP-IRA that I am solely responsible to account for such contributions now and in the future.

Signature of Accountholder _____ Date _____

Signature of Acknowledgment of Custodian/Trustee _____ Date _____

IRA #65-B (12/18) White – Custodian/Trustee Yellow – Accountholder © 2018 Collin W. Fritz & Associates, Ltd.

QRP- to-IRA Rollovers

CWF Form 65-B

General Discussion of IRA Rollover Rules

In general, funds may be rolled over to an IRA from five possible sources:

- A. Another IRA plan described in Code Section 408(a) or (b);
- B. A SIMPLE IRA plan;
- C. A qualified plan described in Code Section 401(a) or 403(a);
- D. A tax-sheltered annuity plan described in Code Section 403(b); or
- E. A governmental deferred compensation described in Code Section 457.

Why would I want to roll over funds from a plan into an IRA? You will avoid paying current taxes which is the normal result when a distribution is received. That is, you avoid paying current taxes on the distribution amount plus the 10% excise tax which would apply if you were not yet age 59½ unless a special exception applied.

Note: These recontributed funds plus related earnings will continue to compound or grow tax-deferred until distribution commences.

Whether a rollover is permissible depends upon meeting numerous and very technical requirements. If these requirements are not completely satisfied, the rollover is impermissible and would constitute an excess contribution subject to the pertinent penalties (6% annual excise tax and inclusion in income when withdrawn unless a special statutory relief provision 408(d)(4) or 408(d)(5) applies).

The IRS requires an individual to irrevocably elect to make a rollover contribution. The election must be made in writing to the trustee or issuer at the time of the contribution. This form serves that purpose.

Rollover and Direct Rollover to an IRA from an Employer's Plan.

A. General Discussion

An "eligible employer plan" includes a plan qualified under section 401(a) of the Internal Revenue Code, including a 401(k) plan, profit-sharing plan, defined benefit plan, stock bonus plan, and money purchase plan; a section 403(a) annuity plan; a section 403(b) tax-sheltered annuity; and an eligible section 457(b) plan maintained by a governmental employer (governmental 457 plan).

The distribution of any portion of your qualified plan, tax-sheltered annuity account balance or certain section 457(b) account balances will be eligible to be rolled over, except the following types of distributions do not qualify.

Once you reach age 70½, you must start taking distributions from your account each year. These are not eligible to be rolled over or transferred. Also, you are not eligible to roll over annuities paid over life or life expectancy (single or joint) or any distribution which is one of a series of substantially equal periodic payments (i.e. installments) for a period spanning ten years or more. Also, corrective distributions of excess deferrals and contributions, defaulted loans and hardship distributions may not be rolled over.

For distributions after December 31, 2001, you can rollover both the taxable and nontaxable part of a distribution from a qualified plan into a traditional IRA. If you have both deductible and nondeductible contributions in your IRA, you will have to keep track of your basis so you will be able to determine the taxable amount once distributions from the IRA begin.

The plan administrator must generally withhold 20% of the amount of any distribution which is eligible to be rolled over to the extent it is taxable.

Also the rules provide that if the funds are directly rolled over to certain types of plans, there will be no 20% withholding.

B. Definition of "Direct Rollover."

Under the new rules, a "direct rollover" is a distribution from a pension plan that would be eligible to be rolled over, but is instead paid directly to another retirement plan. The transaction must be executed for the benefit of the person entitled to receive the distribution from the pension plan.

A direct rollover may be accomplished by any reasonable means of direct payment to an eligible retirement plan. If payment is made by check, the check must be negotiable only by the trustee of the eligible retirement plan. If payment is made by wire transfer, it must be directed only to the trustee. It is permissible that the plan furnish you with a check if you are instructed to deliver the check to the trustee and the check is made payable as indicated above solely to the trustee.

C. Explanation by the plan administrator.

The plan administrator is required to determine and inform you what portion of a distribution is eligible to be rolled over and what portion is not eligible.

A plan administrator shall, within a reasonable period of time before making a distribution that qualifies to be rolled over, provide a written explanation to the recipient (you the participant, your beneficiary or an alternate payee) —

1. of the provisions in the plan document under which the recipient may have the distribution directly transferred to another eligible plan.
 2. of the provision in the plan document which requires the withholding of tax on the distribution if it is paid to you, the recipient (not directly transferred).
 3. of the provisions of the federal tax law under which the distribution will not be subject to tax if rolled over to another eligible plan within 60 days after the date on which the recipient received the distribution.
 4. If applicable, an explanation of 10-year averaging, and capital gain tax treatment. After being furnished this information you can decide whether to be paid these funds (and to have automatic withholding of 20%) or to directly roll over the payment to another eligible plan or to do a combination — some paid to you and some directly rolled over.
- Special rule. If your distributions during the year are reasonably expected to total less than \$200, then the plan administrator need not offer you the right to directly roll over the funds.

D. Additional rules applying to rollovers and direct rollovers.

1. You must roll over the property you received unless you sell it. If you sell the property, you may roll over the proceeds of the sale. You CANNOT roll over any life insurance to an IRA.
2. You must complete the rollover within 60 days of its distribution. If there are multiple distributions, in general, the 60 days start to run from the date of the last distribution.
3. If you die, your surviving spouse may roll over all or part of a distribution, but the rules discussed above must be satisfied.
4. Often in divorce, one spouse (i.e. the alternate payee) is given by court order the right to be paid the other spouse's pension benefits. Any amount paid to a spouse or former spouse pursuant to a qualified domestic relations order is eligible to be rolled over if the distribution would qualify under the above-described rules if the spouse or nonspouse was substituted for the employee.
5. **Amounts Not Rolled Over.** Generally, the amount you choose to keep and not roll over must be included in your gross income as ordinary income in the year in which you receive it. In addition, unless a special exception applies, you will be subject to the 10% excise tax if you have not attained age 59½.
6. **Missing the 60-Day Requirement.** If you roll over any funds after the 60-day period, this will constitute an improper rollover and will be treated as a regular contribution subject to the lesser of \$5,500/\$8,500 or 100% of compensation limitation. Any additional amount will be considered an excess contribution.

The IRS may waive the 60-day requirement where it would be against equity or good conscience not to do so.

You may use the IRS' special letter request program if you believe applying the 60-day rule to your situation would be against equity and good conscience. IRS filing fees do apply. You will need to apply to the IRS for such waiver and receive such waiver before you may make your rollover. If applicable, we will use the automatic waiver rule.

IRS Rollover Chart / Summary

The following chart indicates the rollovers that are permitted between various types of plans.

		Roll To							
Roll From		Roth IRA	Traditional IRA	SIMPLE IRA	SEP IRA	Governmental 457 (b) Plan	Qualified Plan ¹ (pre-tax)	403(b) Plan (pre-tax)	Designated Roth Account (401(k), 403(b) or 457(b))
	Roth IRA	Yes ²	No	No	No	No	No	No	No
	Traditional IRA	Yes ³	Yes ²	Yes ^{2,7} , after 2 years	Yes ²	Yes ⁴	Yes	Yes	No
	SIMPLE IRA	Yes ³ , after 2 years	Yes ² , after 2 years	Yes ²	Yes ² , after 2 years	Yes ⁴ , after 2 years	Yes, after 2 years	Yes, after 2 years	No
	SEP IRA	Yes ³	Yes ²	Yes ^{2,7} , after 2 years	Yes ²	Yes ⁴	Yes	Yes	No
	Governmental 457 (b) Plan	Yes ³	Yes	Yes ⁷ , after 2 years	Yes	Yes	Yes	Yes	Yes, ^{3,5}
	Qualified Plan ¹ (pre-tax)	Yes ³	Yes	Yes ⁷ , after 2 years	Yes	Yes ⁴	Yes	Yes	Yes, ^{3,5}
	403(b) Plan (pre-tax)	Yes ³	Yes	Yes ⁷ , after 2 years	Yes	Yes ⁴	Yes	Yes	Yes, ^{3,5}
	Designated Roth Account (401(k), 403(b) or 457(b))	Yes	No	No	No	No	No	No	Yes ⁶

¹Qualified plans include, for example, profit-sharing, 401(k), money purchase, and defined benefit plans.

²Only one rollover in any 12-month period.

³Must include in income.

⁴Must have separate accounts.

⁵Must be an in-plan rollover.

⁶Any nontaxable amounts distributed must be rolled over by direct trustee-to-trustee transfer.

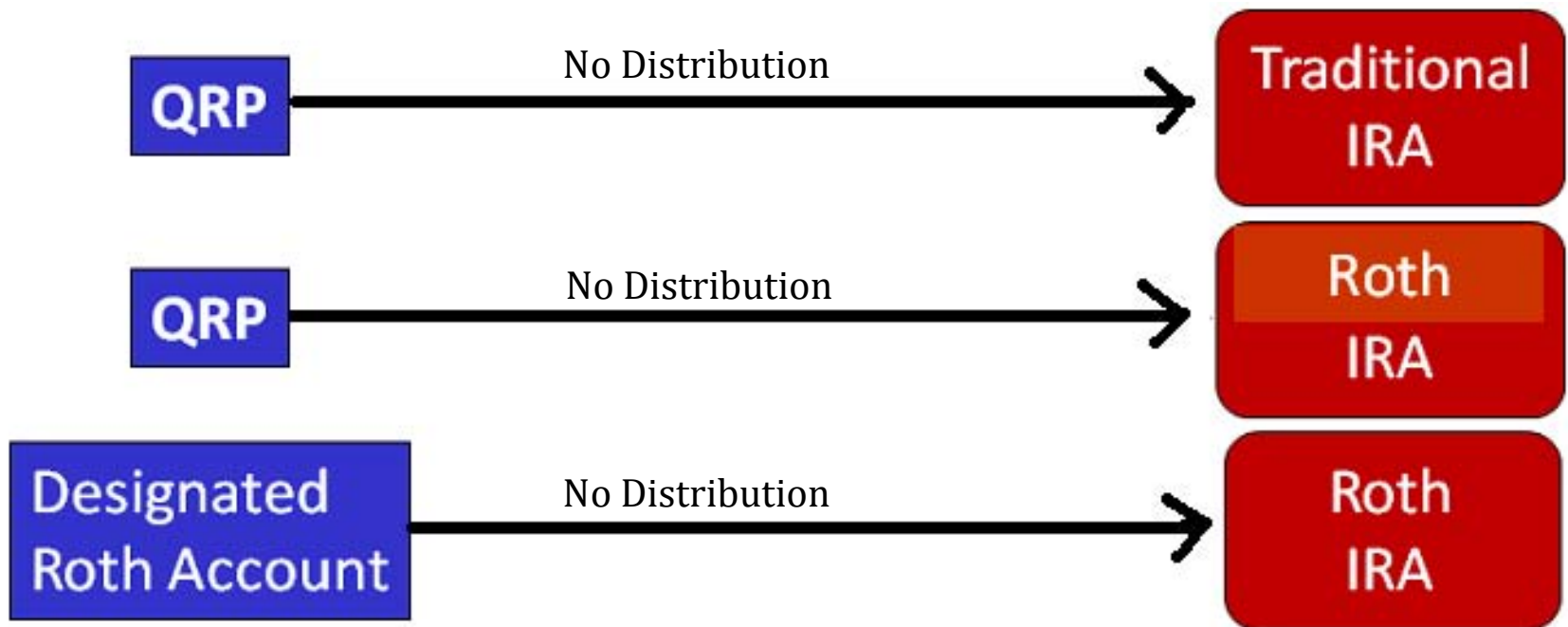
⁷Applies to rollover contributions after December 18, 2015. For more information regarding retirement plans and rollovers, visit [Tax Information for Retirement Plans](#).

QRP- to-IRA Rollovers

QRP-to-Traditional or Roth IRA

- » Direct Rollover- Directly to the IRA

**Pre-Tax and
After-Tax Funds**

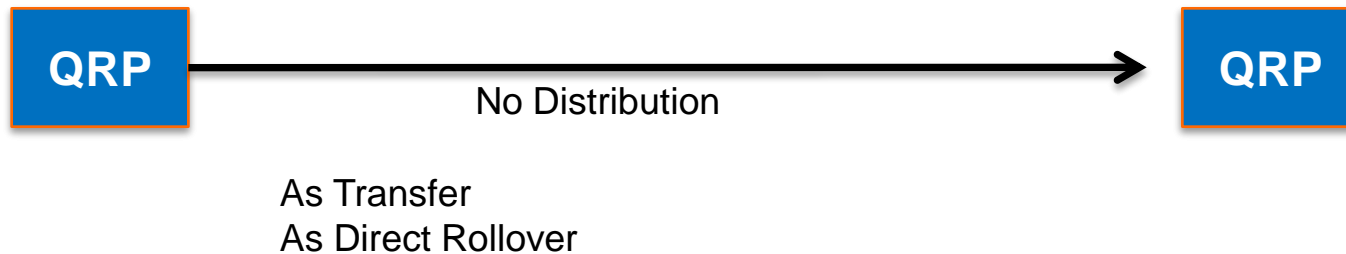


QRP- to-IRA Rollovers

QRP-to-Traditional or Roth IRA

- » Direct Rollover- Directly to the IRA

**Pre-Tax and
After-Tax Funds**



401(k)-to-IRA Direct Rollover

Tax Treatment within the Plan

401(k) Illustration # 1

Jane Doe	Amount Subject to income tax	\$3,500
	Amount Subject to SS & Medicare tax	\$4,000
\$4,000 per month		
\$ 500 401(k) deferral (Std)	Will be taxable when distributed	

\$3,500 Net Amount		

401(k) Illustration # 2

John Doe	Amount Subject to SS & Medicare tax	\$3,000
\$3,000 per month		
\$ 400 Designated Roth deferred	Will <u>not</u> be taxable when distributed	

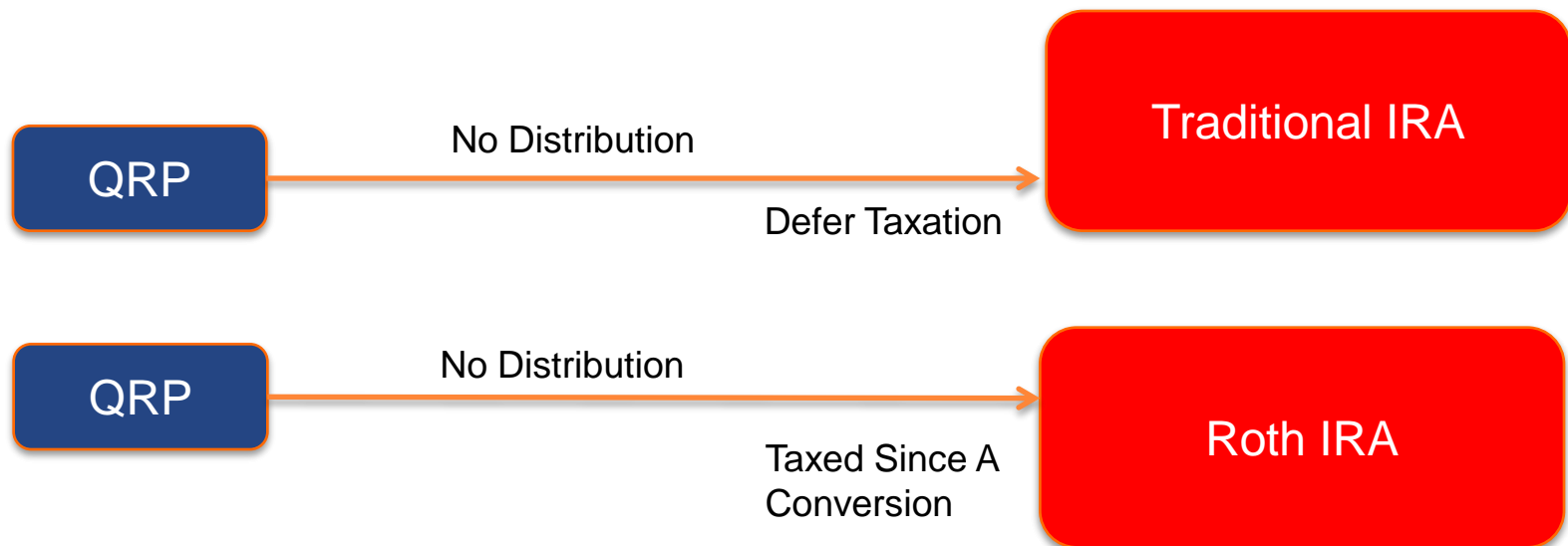
\$2,600 Net Amount		

QRP- to-IRA Rollovers

QRP-to-Traditional or Roth IRA

» Direct Rollover- Directly to the IRA

Pre-Tax Funds



Example: Jane Doe has \$80,000 of taxable funds in her 401(k) plan account. She has 3 options –

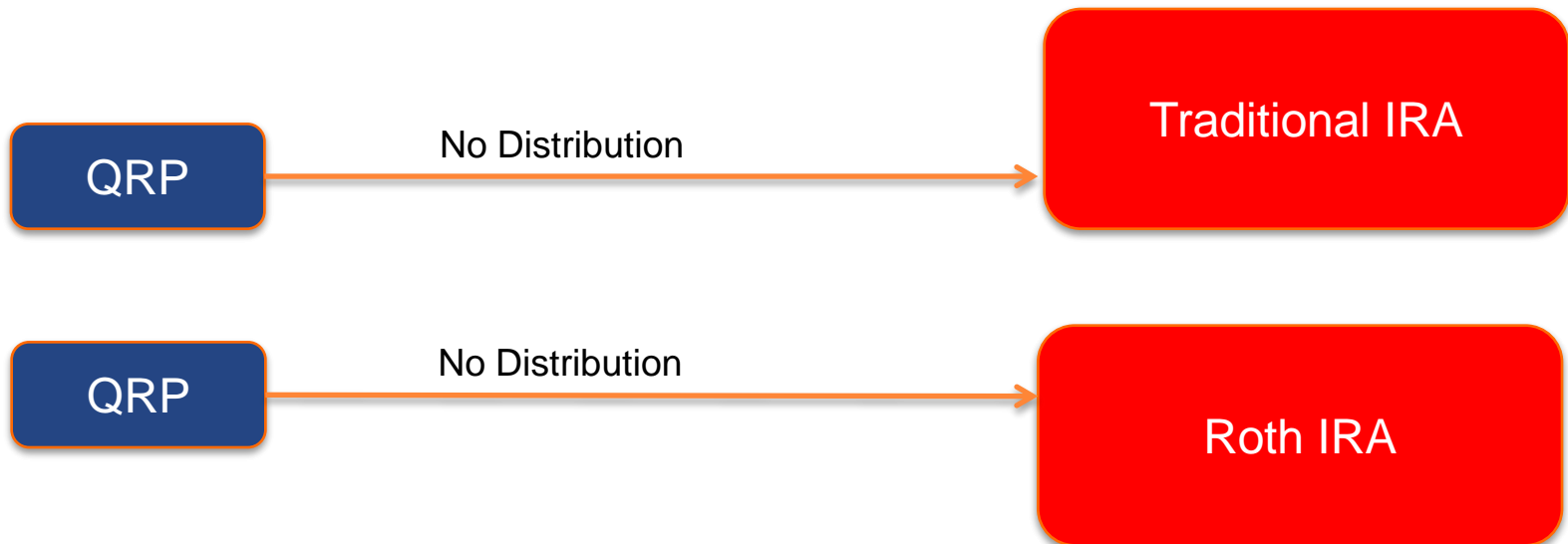
1. Move to traditional IRA and defer tax on the \$80,000
2. Move to Roth IRA and pay tax on the \$80,000
3. Combination. Put some into traditional and some into Roth IRA. Example: She moves \$60,000 to her traditional IRA(*Nontaxable*) and \$20,000 to her Roth IRA(*taxable*).

QRP- to-IRA Rollovers

QRP-to-Traditional or Roth IRA

- » Direct Rollover- Directly to the IRA

After-Tax Funds



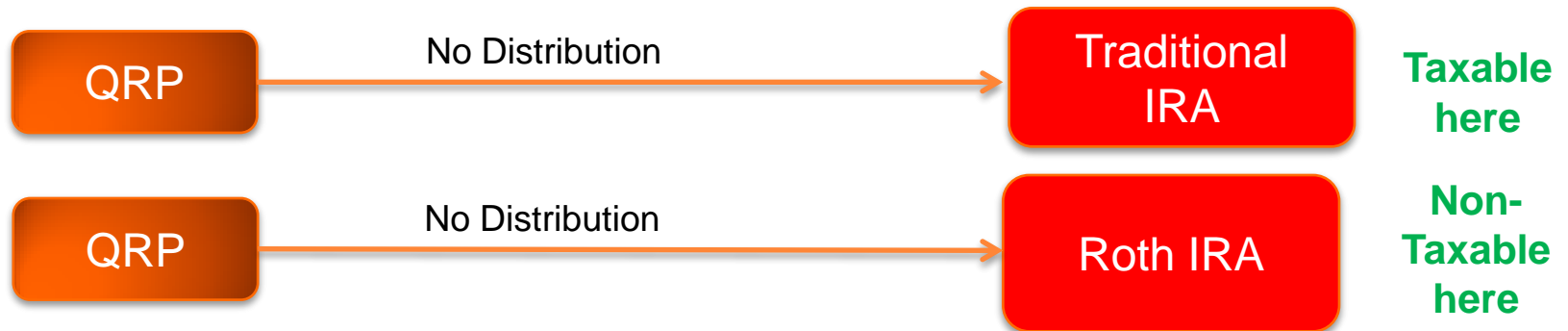
Example: Jane Doe has \$280,000 in her 401(k) plan account. \$240,000 is taxable and her \$40,000 is non-taxable or basis. She may direct the \$240,000 of taxable funds into her traditional IRA. She may direct the \$40,000 of non-taxable funds into her Roth IRA.

QRP- to-IRA Rollovers

QRP-to-Traditional or Roth IRA

» Direct Rollover- Directly to the IRA

After-Tax Funds



Special Rules and Options – If your payment includes after-tax contributions.

After tax contributions included in a payment are not taxed. If a payment is only part of your benefit, an allocable portion of your after-tax contributions is included in the payment, so you cannot take a payment of only after-tax contributions. However, if you have pre-1980 after-tax contributions maintained in a separate account, a special rule may apply to determine whether the after-tax contributions are included in a payment. In addition, special rules apply when you do a rollover, as described below

QRP- to-IRA Rollovers

Special Rules and Options – *Continued.*

You may roll over to an IRA a payment that includes after-tax contributions through either a direct rollover or a 60-day rollover. You must keep track of the aggregate amount of the after-tax contributions in all of your IRAs (*in order to determine your taxable income for later payments from the IRAs.*) If you do a direct rollover of only a portion of the amount paid from the plan and at the same time the rest is paid to you, the portion directly rolled over consists first of the amount that would be taxable if not rolled over. For example, assume you are receiving a distribution of \$12,000, of which \$2,000 is after-tax contributions. In this case, if you directly roll over \$10,000 to an IRA that is not a Roth IRA, no amount is taxable because the \$2,000 amount not directly rolled over is treated as being after-tax contributions.

If you do a direct rollover of the entire amount paid from the Plan to two or more destinations at the same time, you can choose which destination receives the after-tax contributions.

QRP- to-IRA Rollovers

Special Rules and Options – *Continued.*

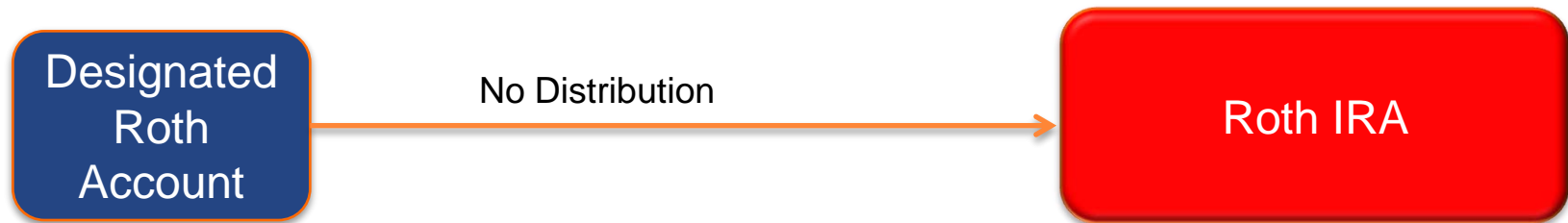
If you do a 60-day rollover to an IRA of only a portion of a payment made to you, the after-tax contributions are treated as rolled over last. For example, assuming you are receiving a distribution of \$12,000, of which \$2,000 are after-tax contributions, and no part of the distribution is directly rollover over. In this case, if you roll over \$10,000 to an IRA that is not a Roth IRA in a 60-day rollover, no amount is taxable because the \$2,000 amount not rolled over is treated as being after-tax contributions.

You may roll over to a employer plan all of a payment that includes after-tax contributions, but only through a direct rollover (*and only if the receiving plan separately accounts for after-tax contributions and is not a governmental section 457(b) plan*). You can do a 60-day rollover to an employer plan of part of the payment that includes after-tax contributions, but only up to the amount of the payment that would be taxable if not rolled over.

QRP-to-Traditional or Roth IRA

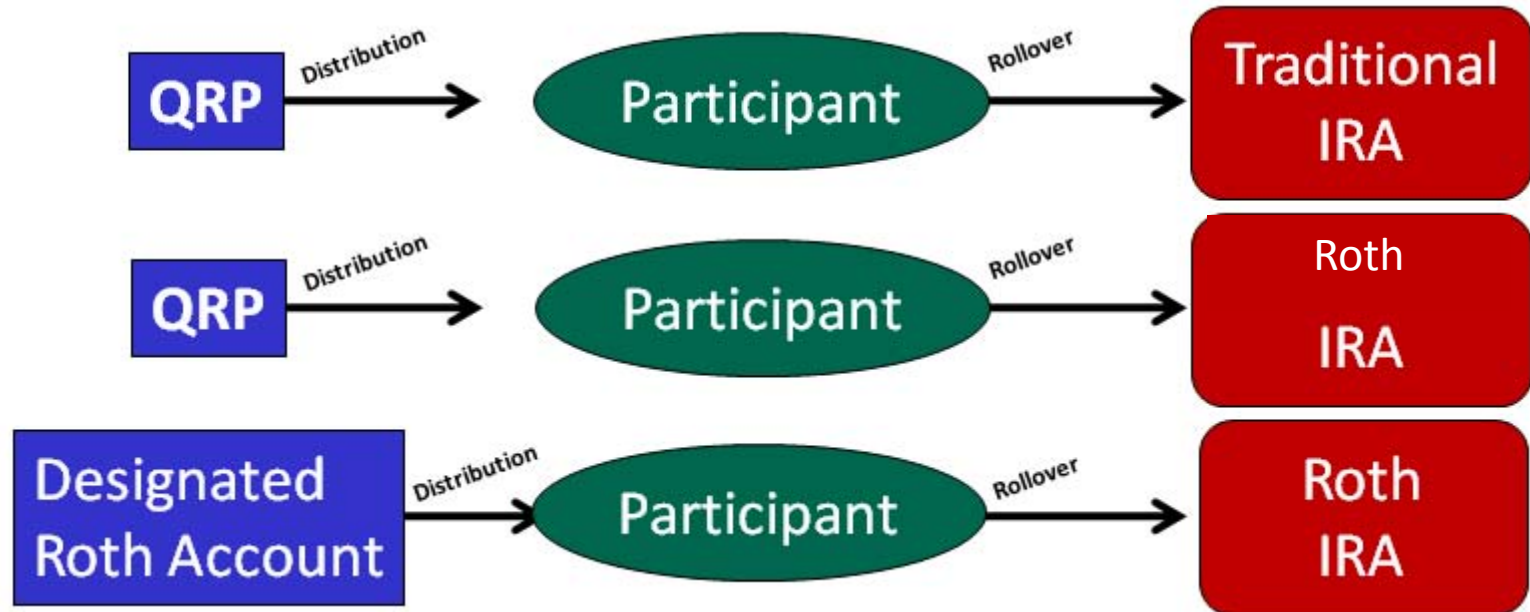
- » Direct Rollover- Directly to the IRA

After-Tax Funds



QRP- to-IRA Rollovers

Standard Rollover / Indirect Rollover



QRP-to-Person-to-Traditional or Roth IRA

- » Distribution, and then Rollover.
 - » Not a Direct Rollover
 - » QRP Distribution to QRP Participant/IRA Accountholder
 - » IRA Rollover Contribution – Traditional or Roth IRA

Once per year rule only applies to IRA distributions. It does not apply to QP Distributions.
60 Day Rule Applies

Special Considerations When an ESOP Makes the Distribution

Special tax rules mean that some recipients may decide it is best not to directly rollover the stock to an IRA.

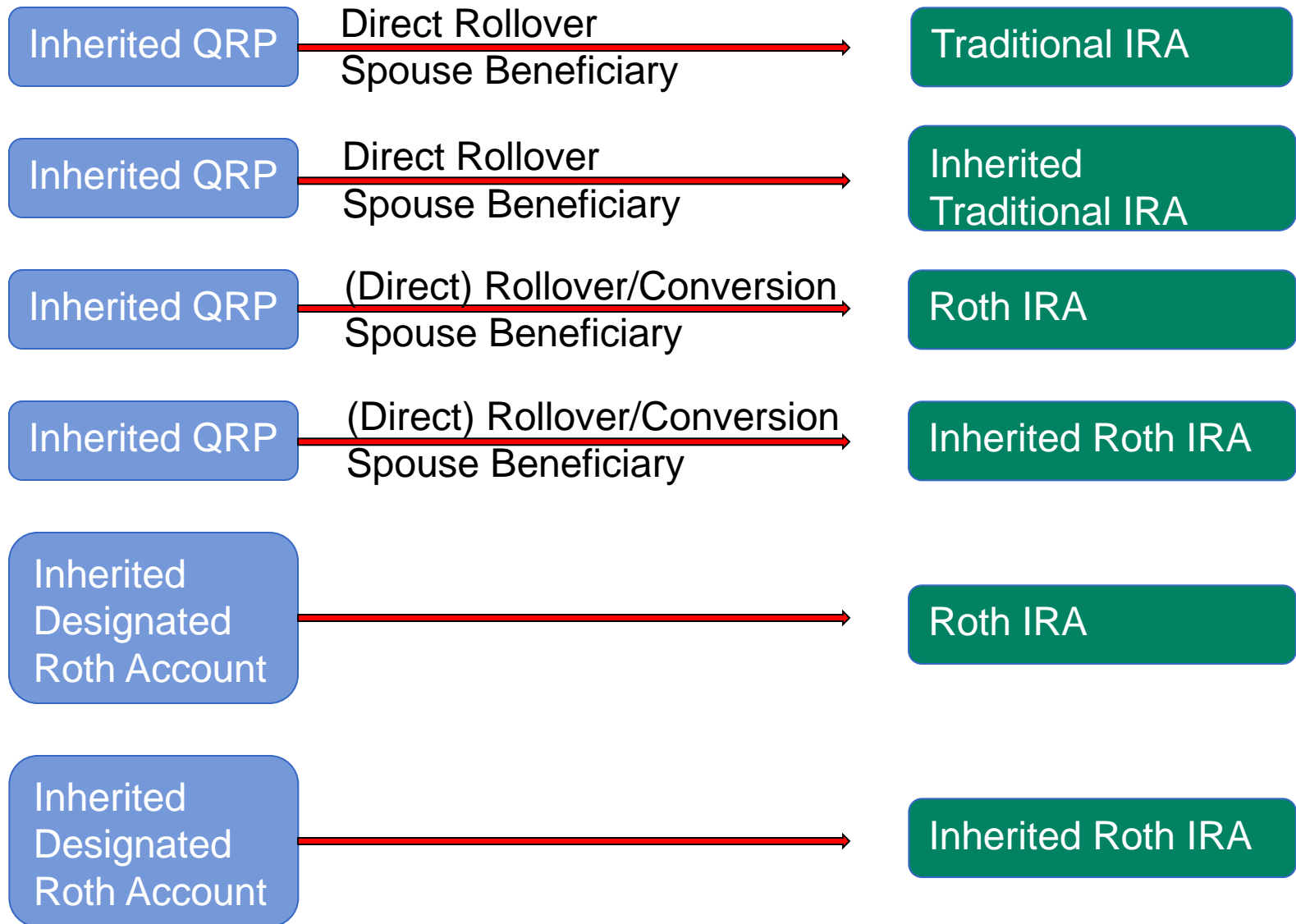
The participant must have certain information to make an informed decision.

A Surviving Spouse's Options when a 401(k) Participant Dies

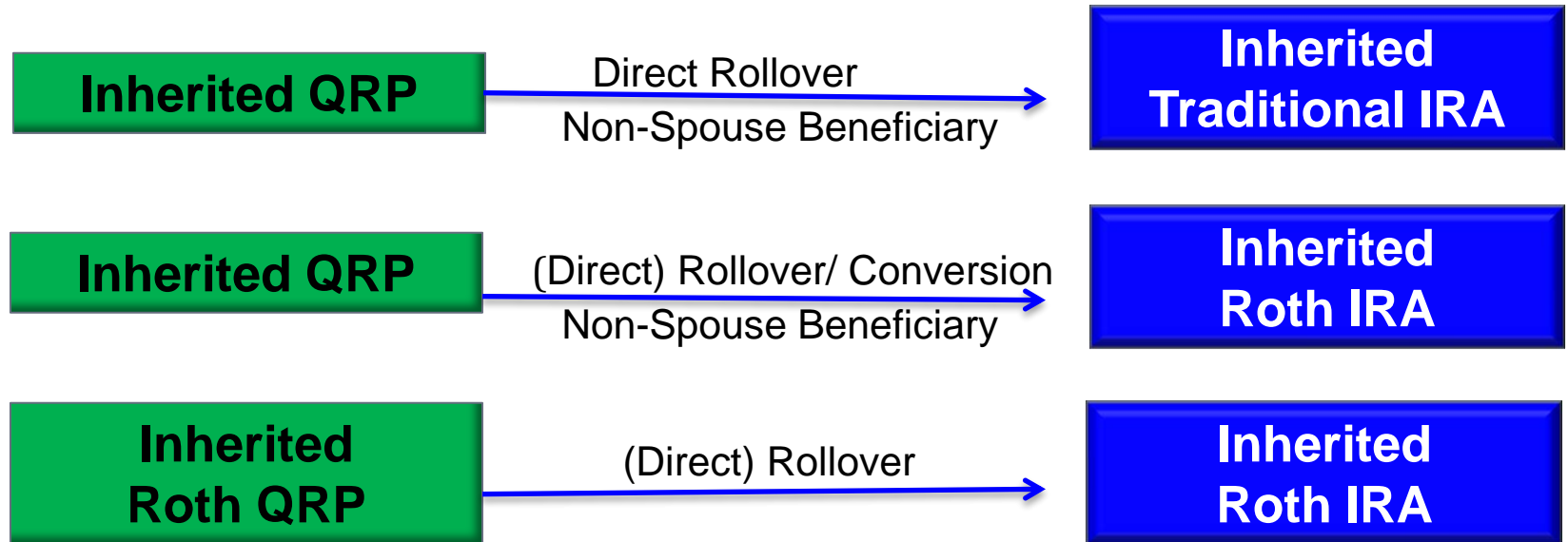
He or she has the same options which their spouse would have had with some additional options.

1. Direct Rollover into Own IRA or an inherited IRA
2. Cash Distribution
3. Combination of 1 and 2

Direct Rollovers of Inherited Funds From Pension Plans By a Surviving Spouse



Direct Rollovers of Inherited Funds From Pension Plans by a non-spouse Beneficiary



Beneficiary is ineligible to take a distribution and then make a rollover contribution.

CWF Form 205

After the direct rollover the Inherited IRA Accountholder's Distribution Instruction and Certification to Comply with RMD Rules

Inherited IRA Accountholder's Distribution Instruction and Certification to Comply with RMD Rules After a Direct Rollover of Inherited Plan Funds

Inherited IRA Accountholder Information

Name _____
Address _____
City _____ State _____ Zip _____
County _____ Date of Birth _____
Phone: _____
SSN _____ Plan No. _____

Employer Retirement Plan (ERP) & Participant Information

Plan's Name _____
Participant's Name _____ SSN _____
Date of Birth _____ Date of Death _____

Custodian/Trustee of Inherited IRA

Name _____
Attn: _____
Phone _____
Address _____
City _____ State _____ Zip _____

Inherited IRA Accountholder's Instruction and Certification

I hereby instruct you that I am not an EDB (eligible designated beneficiary) for purposes of the beneficiary RMD rules, but I am a living person. In order to be an EDB, I must be disabled; chronically ill; a minor or I am not more than 10 years younger than the deceased IRA owner. I have consulted with my adviser (attorney, accountant or financial planner) or I have determined that such consultation is not needed. I understand that the tax rules require me to close the inherited IRA by December 31 of the year containing the 10th anniversary of the plan participant's death. If I fail to do so the 25% excise tax as authorized by IRC section 4974(a) may be assessed. However, if the beneficiary is not a person, such as a charity, an estate or a certain trust, then the 5-year rule applies.

Under this 10-year or the 5-year rule I may establish a periodic distribution schedule so that I may take periodic distributions over the applicable year time period, but I am not required to establish such a schedule. I may take nonperiodic distributions.

- ☐ By checking here I am informing you I want to close this inherited IRA. The balance to be paid to me is \$_____. If I am a nonspouse beneficiary, I understand any distribution to me is ineligible to be rolled over. The general tax rule is, I will be required to include the distribution amount in my income unless there is some basis.
- ☐ By checking here I am informing you (the IRA custodian) that I plan to take nonperiodic distributions from this inherited IRA. I will contact you to take these nonperiodic distributions. I have not scheduled to take any periodic distributions. I will need to complete an IRA distribution form for each nonperiodic distribution.
- ☐ By checking here I am informing you (the IRA custodian) that I plan to take periodic distributions from this inherited IRA as instructed below. I reserve the right to modify this schedule including terminating it.
- ☐ A. Pay me the amount of \$_____ per _____ until the IRA's balance is \$0.00. This distribution is to commence on _____.
- ☐ B. Pay me the amount of \$_____ once per calendar year. This distribution is to commence on _____.
- ☐ C. Other/Define _____ This distribution is to commence on _____.

I instruct you to make payments to:

- ☐ Me directly by mail to:
☐ the address given above; or
☐ _____
- ☐ My regular savings account or share account # _____
- ☐ My checking account # _____
- ☐ Other/Special Instruction _____

I certify that I am a nonspouse beneficiary of a participant of an employer retirement plan (ERP). I may have furnished you with a copy of the section 402(f) notice as provided to me by the sponsor of the ERP. I certify I am eligible for this direct rollover. I have instructed you above as to how to distribute this inherited IRA. I certify that the amount directly rolled over does not include any required distribution for any prior year to the extent not distributed.

When signing the withholding certification, I signify that I understand that the initial distribution is subject to federal income tax withholding unless I elect to not have it apply. I also understand that my initial instruction will stay in effect until I change it, and that this distribution may have income tax consequences; therefore, I should consult a tax advisor as necessary. If I do not have sufficient income tax withheld, then I realize that I may have to pay additional tax penalties under the withholding and estimated tax payment rules. I am aware that I am not eligible to roll over any portion of a distribution from an inherited IRA.

Substitute FORM W-4R

Department of the Treasury (Internal Revenue Service)

Withholding Certificate for Nonperiodic Payments

OMB NO. 1545-0074

The instructions to this substitute Form W-4R are on the reverse side as well as additional discussion of special withdrawal topics. For nonperiodic payments, the default withholding rate is 10%. You can choose to have a different rate by entering a rate between 0% and 100% on line 2 below. Generally, you can't choose less than 10% for payments to be delivered outside the United States and its possessions. This form is not valid unless you sign it.

Complete line 2 if you would like a rate of withholding that is different from the default withholding rate of 10%. See the line 2 instructions on the reverse side and the Marginal Rate Tables for additional information. Enter the rate as a whole number (no decimals) _____ ▶ 2 _____ %

Signature of Payee/Recipient _____

Date _____

Custodian/Trustee (Payer) _____

Date _____



IRA #205 (1/25)

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CWF Form 205R

After the direct rollover the beneficiary must inform the IRA custodian what RMD rule applies for distributions from the inherited IRA.

Inherited Roth IRA Accountholder's Distribution Instruction and Certification to Comply with RMD Rules

Inherited Roth IRA Accountholder Information

Name _____
Address _____
City _____ State _____ Zip _____
County _____ Date of Birth _____
Phone: _____
SSN _____ Plan No. _____

Employer Retirement Plan (ERP) & Participant Information

Plan's Name _____
Participant's Name _____ SSN _____
Date of Birth _____ Date of Death _____

Custodian/Trustee of Inherited Roth IRA

Name _____
Attn: _____
Phone _____
Address _____
City _____ State _____ Zip _____

Inherited Roth IRA Accountholder's Instruction & Certification

- ☐ 1. Under the ERP, the life distribution rule applied to calculate the required distribution and it will also apply to the payments to be made from this inherited Roth IRA.
The nonspouse beneficiary being used as the measuring life to calculate the RMD was: _____ Date of Birth: _____
- ☐ 2. Under the ERP, the 10-year rule applied and it will also apply to the required payments to be made from this inherited Roth IRA.
- ☐ 3. Special Election. The 5-year rule or the 10-year rule applied to the required distributions from the ERP. However, I now elect the life-distribution rule rather than the 10-year rule. I certify I have met the following three requirements.
First, the funds must be directly rolled over before the end of the year following the year of death.
Second, the life-distribution rule must be determined using the same nonspouse beneficiary.
Third, I am an EDB beneficiary.
The nonspouse beneficiary being used as the measuring life to calculate the RMD was: _____ Date of Birth: _____

Purpose of Form

On or after January 1, 2007, a nonspouse beneficiary of a deceased plan participant, may directly roll over inherited designated Roth funds from an ERP (Employer Retirement Plan) into a new type of inherited Roth IRA, if the ERP is amended to authorize such a direct rollover. This form is not to be used by a spouse beneficiary since he or she is ineligible to roll over funds to an inherited Roth IRA. Prior to 2007, a nonspouse beneficiary of a pension plan participant was unable to roll over such inherited funds. He or she was required to take distributions from the pension plan as the plan stipulated.

You will be required to take required distributions from this new type of inherited Roth IRA.

Payment Instruction to Custodian/Trustee Annual Amount to be Distributed

- ☐ 1. Pay me an annual amount which equals my required minimum distribution amount.
☐ 2. Pay me the amount of \$ _____.

I want this amount paid to me in the following manner: Commencing on _____ and each ☐ annual ☐ monthly ☐ quarterly ☐ or semi-annual anniversary, you shall pay the pro rata portion of the annual amount. This periodic payment will initially be: \$ _____.

I instruct you to make payments to:

- ☐ Me directly by mail to:
☐ the address given above; or
☐ _____
☐ My regular savings account or share account # _____
☐ My checking account # _____
☐ Other/Special Instruction _____

Inherited Roth IRA Accountholder's Certification of a Direct Rollover from ERP by a Nonspouse Beneficiary

I certify that I am a nonspouse beneficiary of a participant of an employer retirement plan (ERP) containing designated Roth funds. I have furnished you with a copy of the section 402(f) notice as provided to me by the sponsor of the ERP. I certify I am eligible for this direct rollover. I have instructed you above as to how to distribute this inherited Roth IRA. I certify that the amount directly rolled over does not include any required distribution for any prior year to the extent not distributed.

I also understand that my initial instruction will stay in effect until I change it, and that this distribution may have income tax consequences; therefore, I should consult a tax advisor as necessary. I am aware that I am not eligible to roll over any portion of a distribution from an inherited Roth IRA.

Signature of Inherited Roth IRA Accountholder _____ Date _____ Custodian/Trustee (Payer) _____ Date _____

Proposed RMD Regulation – Current Status

PTE 2020-02 and Court Cases – Current Status

QP → IRA

IRA → IRA

CWF Forms

65-AD (Advisor)

65-ID (Individual)

65-BI (IRA)

56

IRA Adviser Rollover Checklist

To: IRA Account Holder

Name _____ Date: _____

From: IRA Adviser or IRA Service Provider

Name _____ Phone: Home _____

Work Address _____ Phone: Work _____

I have reviewed the following factors comparing the pros and cons of having your funds invested in an IRA or having your funds continue to be invested in your former employer's retirement plan or your current employer's plan, as applicable. I have checked the IRA box when I believe the IRA will be in your best interest and I have checked the retirement plan box when I believe that selection is in your best interest. Set forth at the bottom of this form is my final rollover suggestion. You should discuss with your tax advisor and consider his or her guidance. Note, I have not considered how your funds will specifically be invested. That is a separate determination which you need to make.

Factors to be Considered:

	IRA	Retirement Plan
1. Which plan allows you more flexibility with respect to taking a distribution. Explain how important: _____	()	()
2. Which plan gives you more investment options?	()	()
3. Which plan gives you the better investment options?	()	()
4. Which plan gives you the investments that you prefer and meet your risk tolerance and which you expect will perform better?	()	()
5. Which plan allows you more flexibility with changing your investments? Explain how important: _____	()	()
6. Which plan will have lower fees and what services will be received? Discuss: _____	()	()
7. May you borrow these funds? Loans are permissible from certain plans, but never from an IRA.	()	()
8. Do you expect to borrow these funds?	()	()
9. Importance of protection from possible claims of creditors? () Important or () not important	()	()
10. The application of RMD rules. All IRA owners must take an RMD for their 72 year. A non-5% must take an RMD for their 72 year. A non-5% owner under some plans only becomes subject to the RMD rules once they separate from service.	()	()
11. Is it possible you will wish to withdraw these funds prior to age 59 1/2 so the 10% would not be owed? Explain: _____	()	()
12. The application of the PT laws. The consequence of a prohibited transaction occurring with respect to a pension plan is much less severe than if a PT occurs with an IRA.	()	()
13. There is a risk associated with a retirement plan becoming non-qualified meaning to later rollover is uncertain. There is no risk if the rollover is completed now. Check the IRA box if it is important that there be no risk.	()	()
14. There is a risk associated with a retirement plan that my assets could be stolen. Discuss if there is any insurance coverage. Check the IRA box if it is important that there be less risk.	()	()
15. Which plan allows me more flexibility with respect to designating my beneficiary(ies)? Explain: _____	()	()
16. Which plan allows for more flexibility with respect to distributions to my designating beneficiary(ies)? Explain: _____	()	()
17. Which plan allows me more flexibility regarding the spousal consent rules? Explain: _____	()	()
18. Because my employer's plan is being terminated there is no option to leave in the retirement plan.	()	()

Conclusion: () I believe your best interest will be served by rolling over your plan funds into an IRA. Although some of the factors suggest you should leave my funds in the retirement plan, overall I think the IRA benefits exceed the retirement plan benefits. Explain: _____

Conclusion: () I believe your best interest will be served by maintaining the funds within the retirement plan and that you should not do the rollover into an IRA. Explain: _____

Signature of Adviser _____ Date _____

Signature of Acknowledgment of Custodian/Trustee _____ Date _____

IRA #65 AD (10/21)

White — Custodian/Trustee Yellow — Accountholder

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General Discussion of Rollover Situations

Rollovers and Direct Rollovers to IRAs

From a 401(k) Plan Or Other Plans

Rollovers (and direct rollovers) are very complicated. There are many tax traps for the unwary. Numerous tax rules must be understood, plan document provisions must be understood and the plan funds must normally be re-invested. There is an almost unlimited number of investment choices and many of the choices can be complicated. Each individual has his or her unique financial situation and his or own personal goals and risk tolerances. What investments are best for one person most likely are not what is best for another person.

Some of the distribution/rollover information furnished to individuals is not easy to understand.

The ability to rollover or directly rollover plan funds into an IRA or vice versa is extremely important in order for a person to maximize the amount of funds he or she will have for retirement. In order for a person to make an informed rollover decision numerous laws and plan provisions must be understood. In order to prudently invest the plan funds or IRA funds a person needs substantial investment educational training and experience. Or the individual wants to have or acquire the ability to hire individuals with such skills.

The DOL definitely believes there are times a person should not take a distribution from his/her employer's retirement plan and move the funds to an IRA.

In the view of the DOL it is better if retirement funds are under the ownership and control of an employer sponsored plan because the employer has an incentive and a fiduciary duty to make professional investment choices or to make it possible that the individuals can make professional investment choices. In comparison, although the DOL admits there are certainly good investment choices for many IRAs, the DOL also believes there are also many bad investment choices. In many cases IRAs have investments where there are conflicts of interest.

The pension plan document will define when a person is eligible for a distribution. In general, when an individual retires or separates from service, he or she becomes eligible for a distribution. An individual who is eligible for a distribution need not necessarily withdraw 100% of his or her vested account balance. The individual in most cases (balance greater than \$5000) has the right to leave the funds in the plan until he or she would attain the normal retirement age. The DOL believes every individual must be informed of this fact.

If the individual decides he or she wants to take a distribution or the tax rules require that such a distribution is mandatory, then the individual must be given three options by the plan administrator.

Option #1. If the distribution is eligible to be directly rolled over, the individual may choose this option. The direct rollover could be made to another employer's plan, if available or to a traditional IRA, SEP IRA, SIMPLE IRA or Roth IRA.

Option #2. If the individual elects not to have his/her account balance directly rolled over but elects to be paid his/her account balance, the plan will distribute 80% of the taxable portion of the account to the individual and it must withhold 20% under the federal income tax withholding rules.

Option #3. The individual has the right to do a combination of Options #1 and Option #2.

If an individual takes a distribution which is ineligible to be directly rolled over, the distribution is subject to the standard 10% withholding rule, but the individual does have the ability to have no withholding or to have a larger percentage withheld.

In the retail IRA marketplace there appears to be a growing consumer demand for more personalized "rollover" advice. This demand is coming from service providers, plan sponsors and individual participants. With the increase in market penetration by discount brokerage firms, there is pressure on other service providers to offer more comprehensive rollover services.

IRA #65 AD (10/21) — Page 2

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CWF
Form # 65-AD

The Individual's Rollover Determination Form

To: IRA Custodian/Trustee or IRA Service Provider

Name: _____ Date: _____ Phone: _____

From: IRA Accountholder/Beneficiary

Name _____ Phone: Home _____
Home Address _____ Phone: Work _____

I am going to review the following factors comparing the pros and cons of having my funds invested in an IRA or having my funds continue to be invested in my former employer's retirement plan or my current employer's retirement plan, as applicable. I have discussed or will discuss my rollover situation with my tax adviser and my investment adviser and will consider his or her guidance. I have checked the IRA box when I believe the IRA will be in my best interest and I have checked the retirement plan box when I believe the selection is in my best interest. Set forth at the bottom of this form is my final rollover decision.

Factors to be Considered:

- | | IRA
() | Retirement
Plan
() |
|--|------------|---------------------------|
| 1. Which plan allows more flexibility with respect to taking a distribution.
Explain how/why important: _____ | () | () |
| 2. Which plan gives me more investment options? | () | () |
| 3. Which plan gives me the better investment options? | () | () |
| 4. Which plan gives me the investments that I prefer and meet my risk tolerance and which I expect will perform better? | () | () |
| 5. Which plan allows me more flexibility with changing my investments?
Explain how important: _____ | () | () |
| 6. Which plan will have lower fees and what services will be received?
Discuss _____ | () | () |
| 7. May I borrow these funds? Loans are permissible from certain plans, but never from an IRA. | () | () |
| 8. Do I expect to borrow these funds? | () | () |
| 9. Importance of protection from possible claims of creditors?
() Important or () not important. | () | () |
| 10. The application of RMD rules. All IRA owners must take an RMD for their 73 year. A non-5% must take an RMD for their 73 year. A non-5% owner under some plans only becomes subject to the RMD rules once they separate from service. | () | () |
| 11. Is it possible I will wish to withdraw these funds prior to age 59 1/2 so the 10% would not be owed?
Explain: _____ | () | () |
| 12. The application of the PT laws. The consequence of a prohibited transaction occurring with respect to a pension plan is much less severe than if a PT occurs with an IRA. | () | (X) |
| 13. There is a risk associated with a retirement plan becoming non-qualified meaning to later rollover is uncertain. There is no risk if the rollover is completed now. Check the IRA box if it is important that there be no risk. | () | () |
| 14. There is a risk associated with a retirement plan that my assets could be stolen. Discuss if there is any insurance coverage. Check the IRA box if it is important that there be less risk. | () | () |
| 15. Which plan allows me more flexibility with respect to designating my beneficiary(ies)?
Explain: _____ | () | () |
| 16. Which plan allows for more flexibility with respect to distributions to my designating beneficiary(ies)?
Explain: _____ | () | () |
| 17. Which plan allows me more flexibility regarding the spousal consent rules?
Explain: _____ | () | () |
| 18. The plan administrator has informed me that the plan does not allow me to keep the funds in the plan.
The IRA box will be pre-checked. | (X) | () |

Conclusion: () I believe my best interest will be served by rolling over my plan funds into an IRA. Although some of the factors suggest I should leave my funds in the retirement plan, overall I think the IRA benefits exceed the plan benefits.
Explain: _____

Conclusion: () I believe my best interest will be served by maintaining the funds within the retirement plan and that I should not do the rollover into an IRA.
Explain: _____

Signature of Individual _____ Date _____

Signature of Acknowledgment of Custodian/Trustee _____ Date _____

General Discussion of Rollover Situations

Rollovers and Direct Rollovers to IRAs

From a 401(k) Plan Or Other Plans

Rollovers (and direct rollovers) are very complicated. There are many tax traps for the unwary. Numerous tax rules must be understood, plan document provisions must be understood and the plan funds must normally be re-invested. There is an almost unlimited number of investment choices and many of the choices can be complicated. Each individual has his or her unique financial situation and his or her own personal goals and risk tolerances. What investments are best for one person most likely are not what is best for another person.

Some of the distribution/rollover information furnished to individuals is not easy to understand.

The ability to rollover or directly rollover plan funds into an IRA or vice versa is extremely important in order for a person to maximize the amount of funds he or she will have for retirement. In order for a person to make an informed rollover decision numerous laws and plan provisions must be understood. In order to prudently invest the plan funds or IRA funds a person needs substantial investment educational training and experience. Or the individual wants to have or acquire the ability to hire individuals with such skills.

The DOL definitely believes there are times a person should not take a distribution from his/her employer's retirement plan and move the funds to an IRA.

In the view of the DOL it is better if retirement funds are under the ownership and control of an employer sponsored plan because the employer has an incentive and a fiduciary duty to make professional investment choices or to make it possible that the individuals can make professional investment choices. In comparison, although the DOL admits there are certainly good investment choices for many IRAs, the DOL also believes there are also many bad investment choices. In many cases IRAs have investments where there are conflicts of interest.

The pension plan document will define when a person is eligible for a distribution. In general, when an individual retires or separates from service, he or she becomes eligible for a distribution. An individual who is eligible for a distribution need not necessarily withdraw 100% of his or her vested account balance. The individual in most cases (balance greater than \$5000) has the right to leave the funds in the plan until he or she would attain the normal retirement age. The DOL believes every individual must be informed of this fact.

If the individual decides he or she wants to take a distribution or the tax rules require that such a distribution is mandatory, then the individual must be given three options by the plan administrator.

Option #1. If the distribution is eligible to be directly rolled over, the individual may choose this option. The direct rollover could be made to another employer's plan, if available or to a traditional IRA, SEP IRA, SIMPLE IRA or Roth IRA.

Option #2. If the individual elects not to have his/her account balance directly rolled over but elects to be paid his/her account balance, the plan will distribute 80% of the taxable portion of the account to the individual and it must withhold 20% under the federal income tax withholding rules.

Option #3. The individual has the right to do a combination of Options #1 and Option #2.

If an individual takes a distribution which is ineligible to be directly rolled over, the distribution is subject to the standard 10% withholding rule, but the individual does have the ability to have no withholding or to have a larger percentage withheld.

In the retail IRA marketplace there appears to be a growing consumer demand for more personalized "rollover" advice. This demand is coming from service providers, plan sponsors and individual participants. With the increase in market penetration by discount brokerage firms, there is pressure on other service providers to offer more comprehensive rollover services.

Determination by an IRA Accountholder and the Successor IRA Custodian/Trustee of What is the Best Interest of the IRA Accountholder When There is an IRA Rollover or Transfer

IRA Accountholder

Name _____
Address _____
City _____ St _____ Zip _____
SSN _____
IRA Account _____

Successor IRA Custodian/Trustee

Name _____
Address _____
City _____ St _____ Zip _____
Phone _____ Email _____

Current IRA Custodian/Trustee

Name _____
Address _____
City _____ St _____ Zip _____
Phone _____ Email _____

I am going to review the following factors comparing the pros and cons of having my IRA with two different IRA custodians/trustees. One is identified as the successor IRA custodian/trustee and one is identified as the current IRA current custodian/trustee. I believe my best interest is served by rolling over or transferring my IRA to the successor IRA custodian/trustee from my IRA with the current IRA custodian/trustee. Although some of the factors might suggest I should leave my funds with the current IRA custodian/trustee, overall I believe I will be better off with the successor IRA custodian/trustee.

My IRA transaction is a () rollover or () it is a transfer. A rollover is actually a two step transaction. There is a distribution followed by a complying rollover contribution. An IRA transfer occurs when the current IRA custodian/trustee remits my IRA funds to the successor IRA custodian/trustee. This normally will be at my request, but it might be because the current IRA custodian/trustee has resigned.

I have considered the following factors:

	Current Custodian	Successor Custodian
1. Will my funds be insured by the FDIC so there is no risk of loss of principal?	()	()
2. Which firm do I think will service me better?	()	()
3. Which firm has the preferred fee structure?	()	()
4. Will the firm transfer my IRA to another IRA custodian/trustee with no fee or a reasonable fee?	()	()
5. Will the firm make a direct payment to a 401(k) plan upon my request?	()	()
6. Which firm do I think will provide the investments I want?	()	()
7. Which firm will service me best with respect to RMDs?	()	()
8. Which firm allows me more flexibility with respect to designating my beneficiary(ies)?	()	()
9. Which firm does the better job of keeping my IRA plan agreement and disclosure statement up to date?	()	()
10. Which firm do I believe will do a better job servicing the inherited IRA of my beneficiary after I die?	()	()
11. Other _____	()	()
12. Other _____	()	()

Note, I certify that the successor IRA custodian/trustee () has or () has not made an investment recommendation with respect to my rollover or transfer.

Signature of the IRA Accountholder _____ Date _____

Successor IRA Custodian/Trustee:

Based on how the IRA accountholder has completed this form, we conclude that the best interest of this person will be served if this person makes their rollover or transfer contribution with us.

Signature of Acknowledgment of Successor Custodian/Trustee _____ Date _____

IRA Transfer Form

Purpose. I have decided it is my best interest to request a transfer of my IRA funds with my current IRA custodian to the successor IRA custodian/trustee as indicated below. In making my decision I have considered the following factors for both IRA custodians/trustees: available investments, fees, IRA forms being IRS compliant and informative, location, web services and other general services and assistance.

This IRA Transfer Form is to be used to transfer various types of IRA funds with the current custodian/trustee to a successor custodian/trustee. It is not to be used to transfer funds to a Roth IRA. Indicate the Transfer Type:

- | | | |
|---|---|--|
| <input type="checkbox"/> Traditional IRA to Traditional IRA | <input type="checkbox"/> SEP-IRA to SEP-IRA | <input type="checkbox"/> SIMPLE-IRA to SIMPLE-IRA |
| <input type="checkbox"/> Traditional IRA to SEP-IRA | <input type="checkbox"/> SEP-IRA to Traditional IRA | <input type="checkbox"/> SIMPLE-IRA to Traditional IRA * |
| <input type="checkbox"/> Traditional IRA to SIMPLE-IRA * | <input type="checkbox"/> SEP-IRA to SIMPLE-IRA * | <input type="checkbox"/> SIMPLE-IRA to SEP-IRA * |

An asterisk (*) means the transfer is authorized only if the individual has satisfied the 2-year requirement for a SIMPLE-IRA participant as set forth in Code section 72(t)(6) and the IRA accountholder so certifies.

Current IRA Custodian/Trustee

Name _____
Address _____
City _____ State _____ Zip _____
Phone _____ Email _____

IRA Accountholder

Name _____
Address _____
City _____ State _____ Zip _____
SSN _____

I. Instructions from IRA Accountholder to Current Custodian/Trustee

I request the transfer of my IRA funds from IRA Plan number _____ to my IRA with the successor custodian/trustee as named below. I want all assets as listed below to be transferred pursuant to the following instructions.

- ☐ Liquidate and transfer the amount of \$ _____ from the indicated accounts, or _____ %.

Instructions: _____

- ☐ Transfer assets "in kind" as listed here: _____

- ☐ Other Instructions: _____

Required Minimum Distribution (RMD) Instruction

- ☐ 1. I have no RMD because I am not or will not attain age 73 or older this year; or

- ☐ 2. I have an RMD for the current year. I understand it is my duty to comply with the RMD rules. I may have already withdrawn my RMD. My current IRA custodian/trustee may not be willing to transfer my RMD. I instruct as follows:

- ☐ Pay me my remaining RMD and then transfer the remainder; or

- ☐ I want any remaining RMD to be included in the amount transferred.

I acknowledge that once both IRA Custodians/Trustees have signed this IRA transfer form that my designation of my IRA beneficiary(ies) under my IRA with the Successor IRA Custodian/Trustee will control should I die before such IRA assets are actually transferred to the Successor IRA Custodian/Trustee.

Signature of IRA Accountholder: _____ Date: _____

II. Successor Custodian/Trustee's Acceptance of Appointment and Instruction to Current Custodian/Trustee

We hereby advise the current custodian/trustee that we will accept the transfer of the above-referenced IRA accountholder's IRA assets. We have agreed to act as the successor custodian/trustee. We certify that the accountholder has an IRA with us which meets the requirements of Code section 408(a), (b) or (k). We certify we are a bank as defined in Code section 408(n) and that we are an IRS approved IRA custodian or trustee or we are a non-bank corporation which has received a letter from the national office of the IRS stating we have the authority to currently provide IRA services as a non-bank IRA custodian or trustee. Because this is a transfer contribution, we promise to not report this contribution on the Form 5498 as a rollover contribution.

Name _____	IRA Plan number _____
Attention _____	Phone _____
Address _____	Email _____
City _____ State _____ Zip _____	Fax _____

Authorized Signature of Successor IRA Custodian/Trustee: _____ Date: _____

III. Acknowledgment of Current Custodian/Trustee and Instruction to IRA Accountholder

We have received your request to transfer your IRA funds to the successor IRA custodian/trustee. We certify that the accountholder had an IRA with us which met the requirements of Code section 408(a), (b) or (k). We agree to this transfer only if you and the successor custodian/trustee have signed this form. We certify we are a bank as defined in Code section 408(n) and that we are an IRS approved IRA custodian or trustee or we are a non-bank corporation which has received a letter from the national office of the IRS stating we have the authority to currently provide IRA services as a non-bank IRA custodian or trustee. Because this is a transfer distribution, we promise not to report this distribution on the Form 1099-R. We acknowledge that when both IRA custodians/trustees have executed this transfer form that such IRA funds come under the control of the IRA established with the Successor IRA Custodian/Trustee.

Authorized Signature of Current IRA Custodian/Trustee: _____ Date: _____

Roth Conversion Contributions

From a Traditional, SEP or SIMPLE-IRA to a Roth IRA

Roth Conversions

Conversion methods. You can convert amounts from a traditional IRA to a Roth IRA in any of the following three ways.

- **Rollover.** He or She can receive a distribution from a traditional IRA and roll it over (*contribute it*) to a Roth IRA within 60 days after the distribution.
- **Trustee-to-trustee transfer.** He or she can direct the trustee of the traditional IRA to the trustee of the Roth IRA.
- **Same trustee transfer.** If the trustee of the traditional IRA also maintains the Roth IRA, he or she can direct the trustee to transfer an amount from the traditional IRA to the Roth IRA.

Always IRS Reportable

Traditional IRA prepares Form 1099-R

Roth IRA prepares Form 5498 and reports as a conversion contribution

Roth Conversions

Conversions

A person can convert traditional IRA funds to a Roth IRA. The conversion is treated as a rollover, regardless of the conversion method used. Most of the rules for rollovers apply to these rollovers. However, the 1-year waiting period does not apply.

Tax Purpose

Moving the funds into the Roth IRA will allow the earnings to not be taxed whereas the earnings of a traditional IRA are always taxed.

Assume a taxpayer has \$20,000 in her traditional IRA. The taxpayer is age 45. Also assume the IRA increases on account of earnings over 25 years to be \$100,000. That is, there are \$80,000 of accumulated earnings over the 25 years.

If she does not convert the \$20,000, then she or her beneficiary will include the entire \$100,000 in income when withdrawn and pay the related tax.

If she does convert the \$20,000 by paying the current income tax of \$5,000 ($20,000 \times$ assumed tax of 25%) then she or her beneficiary are able to exclude from their income any amount withdrawn. That is, any distribution is tax-free.

Roth Conversions

There are three possible conversion situations

- 1. Converting traditional IRA funds when Funds are All Taxable**
- 2. Converting traditional IRA funds when a portion is taxable and a portion is not**
- 3. Converting traditional IRA funds when none of the funds are taxable. The Goal.**

Roth Conversions

1. **Will increase as the economy improves**
2. **Converting traditional IRA funds when Funds are All Taxable**

IRA Balance = \$60,000

Convert \$10,000 each year for 6 years

Convert \$15,000 each year for 4 years

Convert \$20,000 each year for 3 years

Conversions cannot be recharacterized

It is possible to convert a specific investment.

Roth Conversions

Converting traditional IRA funds when a portion is taxable and a portion is not.

Many individuals choose to not do a conversion because they do not want to pay taxes on the taxable portion of the distribution.

Example: John's IRA

Deductible IRA contribution	\$50,000	Taxable
Earnings	\$15,000	Taxable
Non-Deductible IRA Contributions	\$30,000	Not Taxable
Earnings	\$5,000	Taxable
Total	\$100,000	

Ratio – 70% taxable 30 % non-taxable

John Converts \$100,000. He pays tax on \$70,000 (70% of \$100,000).

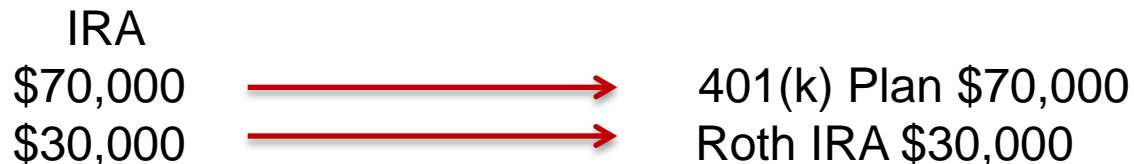
John Converts \$50,000. He pays tax on \$35,000 (70% of \$50,000).

Converting a Traditional IRA With 100% Basis

John's IRA

Deductible IRA contribution	\$ 50,000
Earnings	\$ 15,000
Non-Deductible IRA Contributions	\$ 30,000
Earnings	\$ 5,000
Total	\$100,000

- Step 1 Roll taxable amount (\$70,000) into a pension plan
- Step 2 Roll/Convert (\$30,000) into a Roth IRA
- Step 3 Return the \$70,000 to an IRA, if desired and permitted



Converting a Traditional IRA With 100% Basis

Make a non-deductible contribution and then convert it immediately to a Roth IRA

Example: Jane Smith has a modified gross income of \$250,000 for 2023. She participates in a 401(k) plan. She is ineligible to make an annual Roth contribution as her income exceeds the eligibility limits. Assuming she currently has no taxable dollars within a traditional, SEP or SIMPLE-IRA, she may make a non-deductible contribution and then convert it.

IRA — Certification for the Internal Conversion
of a Traditional IRA to a Roth IRA

To: Custodian/Trustee

Name _____ Date: _____
Address _____ Phone: _____
City _____ State _____ Zip _____

From: Depositor or Grantor

Name _____
Home Address _____
City _____ State _____ Zip _____
County _____ Date of Birth _____

Subject: Election to convert a traditional IRA to a Roth IRA in the amount of \$ _____.

I hereby certify to you (the Roth IRA custodian/trustee) that I am making the following contribution (Check the applicable reason below and complete as indicated). Roth IRA conversion, or considered transferred, from a traditional IRA. A traditional IRA is described in section 408(a) or 408(b). This transaction will be reported to the IRS as a distribution/conversion contribution to your Roth IRA.

☐ Conversion of a traditional IRA to a Roth IRA.

I certify that I presently maintain a traditional IRA with you as the IRA custodian/trustee. I hereby instruct you that I wish to convert this IRA to a Roth IRA. I also certify that I am eligible to make this conversion distribution/contribution from my SIMPLE-IRA because it is occurring after the 2-year period beginning on the date I first participated in the employer's SIMPLE-IRA. The 2-year period begins on the first day the employer made contributions or deposited contributions into my SIMPLE-IRA. A self-employed person is considered to be his or her own employer. I also certify that I am not converting any part of a required minimum distribution (i.e. distributions required for the year you attain age 70½ and for any subsequent year). I have established my Roth IRA with the financial institution as identified above. The Current Traditional IRA Custodian/Trustee is to prepare a transfer check and furnish it to the Roth IRA Custodian or Trustee (i.e. the recipient). This transaction will be reported to the IRS as a distribution from my SIMPLE-IRA and a conversion contribution to my Roth IRA.

☐ Distribution from a traditional IRA for Rollover to a Roth IRA.

I hereby certify that the cash or other property I contributed to the Roth IRA referenced above was a contribution pursuant to Internal Revenue Code section 408A and the applicable rollover within 60 days after the day the funds were received which was a conversion of any part of a required minimum distribution (i.e. distributions required for the year you attain age 70½ and for any subsequent year). For conversions occurring before January 1, 2010, I also certify that the tax year is and will be \$100,000 or less and that if married, I will not be filing a separate federal income tax return for the year. (Read the reverse side for a discussion of the IRS' position on the \$100,000 limit.)

I acknowledge that you have instructed me to consult with my legal or tax advisor before making this conversion. I have made the above certifications. I expressly assume all responsibility for the tax consequences related to depositing funds in a Roth IRA from a traditional IRA which do not qualify are extremely harsh, as excess contributions result. I understand that for tax purposes, my instruction to convert my traditional IRA into a Roth IRA will be treated as a distribution and will be reported to the IRS.

Signature of Depositor or Grantor _____ Date _____

Acknowledgment of Roth IRA Custodian _____ Date _____

CWF #65-R1

IRA #65-R1 (2/10)

White — Custodian/ Trustee Yellow — Accountholder

Special Roth IRA Certification Form — for Military Death Gratuities and
Servicemembers' Group Life Insurance (SGLI) Payments

Purpose. The purpose of this form is to document a rollover under special rollover rules.

To: Custodian/Trustee

Name _____ Date: _____
Address _____
City _____ State _____ Zip _____

IRA — Certification and Instruction for the External Conversion
of a SIMPLE-IRA to a Roth IRA

To: Current SIMPLE-IRA Custodian/Trustee

Name _____ Date: _____
Address _____ Phone: _____
City _____ State _____ Zip _____

From: Depositor or Grantor

Name _____ Phone: Home _____
Home Address _____ Phone: Work _____
City _____ State _____ Zip _____ SSN _____
County _____ Date of Birth _____ Plan No./Acct No. _____

Roth IRA Custodian/Trustee

Name _____ Date: _____
Address _____ Phone: _____
City _____ State _____ Zip _____

Depositor or Grantor Instructions and Certifications

I certify that I presently maintain a SIMPLE-IRA with you as the IRA custodian/trustee. The plan number or account number for this IRA is _____. I hereby instruct you that I wish to convert this SIMPLE-IRA to a Roth IRA to the following extent: ☐ entire account or ☐ the following amount \$ _____. I also certify that I am eligible to make this conversion distribution/contribution from my SIMPLE-IRA because it is occurring after the 2-year period beginning on the date I first participated in the employer's SIMPLE-IRA. The 2-year period begins on the first day the employer made contributions or deposited contributions into my SIMPLE-IRA. A self-employed person is considered to be his or her own employer. I also certify that I am not converting any part of a required minimum distribution (i.e. distributions required for the year you attain age 70½ and for any subsequent year). I have established my Roth IRA with the financial institution as identified above. The Current Traditional IRA Custodian/Trustee is to prepare a transfer check and furnish it to the Roth IRA Custodian or Trustee (i.e. the recipient). This transaction will be reported to the IRS as a distribution from my SIMPLE-IRA and a conversion contribution to my Roth IRA.

I also certify that I am eligible to make this conversion distribution/contribution from my SIMPLE-IRA because it is occurring after the 2-year period beginning on the date I first participated in the employer's SIMPLE-IRA. The 2-year period begins on the first day the employer made contributions or deposited contributions into my SIMPLE-IRA. A self-employed person is considered to be his or her own employer.

I acknowledge that you have instructed me to consult with my legal or tax advisor because of the complexity and importance of this matter. I have made the above certifications. I expressly assume all responsibility for this conversion instruction. I understand that the tax consequences related to depositing funds in a Roth IRA from a SIMPLE-IRA which do not qualify are extremely harsh, as excess contributions result. I understand that for tax purposes, my instruction to convert my SIMPLE-IRA into a Roth IRA will be treated as a distribution and will be reported to the IRS.

Signature of Depositor or Grantor _____ Date _____

Acknowledgment of Roth IRA Custodian _____ Date _____

Acknowledgment of SIMPLE-IRA Custodian _____ Date _____

CWF #65-R6

IRA #65-R6 (2/10)

White — Custodian/ Trustee Yellow — Accountholder

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contribution in the amount of \$ _____.

IRA referenced above qualifies to be rolled over to my Roth IRA for Servicemembers' Group Life Insurance payments. I certify I meet the requirements in Publication 590, IRAs.

I certify that I am eligible to make this conversion distribution/contribution from my SIMPLE-IRA because it is occurring after the 2-year period beginning on the date I first participated in the employer's SIMPLE-IRA. The 2-year period begins on the first day the employer made contributions or deposited contributions into my SIMPLE-IRA. A self-employed person is considered to be his or her own employer. I also certify that I am not converting any part of a required minimum distribution (i.e. distributions required for the year you attain age 70½ and for any subsequent year). I have established my Roth IRA with the financial institution as identified above. The Current Traditional IRA Custodian/Trustee is to prepare a transfer check and furnish it to the Roth IRA Custodian or Trustee (i.e. the recipient). This transaction will be reported to the IRS as a distribution from my SIMPLE-IRA and a conversion contribution to my Roth IRA.

I also certify that I am eligible to make this conversion distribution/contribution from my SIMPLE-IRA because it is occurring after the 2-year period beginning on the date I first participated in the employer's SIMPLE-IRA. The 2-year period begins on the first day the employer made contributions or deposited contributions into my SIMPLE-IRA. A self-employed person is considered to be his or her own employer.

I acknowledge that you have instructed me to consult with my legal or tax advisor because of the complexity and importance of this matter. I have made the above certifications. I expressly assume all responsibility for this conversion instruction. I understand that the tax consequences related to depositing funds in a Roth IRA from a SIMPLE-IRA which do not qualify are extremely harsh, as excess contributions result. I understand that for tax purposes, my instruction to convert my SIMPLE-IRA into a Roth IRA will be treated as a distribution and will be reported to the IRS.

I also certify that I am eligible to make this conversion distribution/contribution from my SIMPLE-IRA because it is occurring after the 2-year period beginning on the date I first participated in the employer's SIMPLE-IRA. The 2-year period begins on the first day the employer made contributions or deposited contributions into my SIMPLE-IRA. A self-employed person is considered to be his or her own employer.

I acknowledge that you have instructed me to consult with my legal or tax advisor because of the complexity and importance of this matter. I have made the above certifications. I expressly assume all responsibility for this conversion instruction. I understand that the tax consequences related to depositing funds in a Roth IRA from a SIMPLE-IRA which do not qualify are extremely harsh, as excess contributions result. I understand that for tax purposes, my instruction to convert my SIMPLE-IRA into a Roth IRA will be treated as a distribution and will be reported to the IRS.

Signature of Depositor or Grantor _____ Date _____

Acknowledgment of Roth IRA Custodian _____ Date _____

CWF #65-MDG

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Roth IRA Conversion Contributions

Requirements

- 60-Day Rule applies to conversion by rollover method
 - Does not count for the once-per-year rule
- Reportable distribution from traditional IRA on Form 1099-R on calendar year basis
- IRS Code 2(*Under 59½*) or 7 in Box 7, Distribution code(s)
- Reportable Roth contribution on Form 5498 on calendar year basis
 - Box 3, Roth IRA conversion amount
- Conversion amount has same five-year period for qualified distribution purposes
- Conversion has separate five-year period for 10% penalty tax purposes

Roth IRA Conversion Contributions

Requirements

- Required Minimums cannot be converted
- IRA RMDs must be satisfied first – RMDs cannot be converted
- Separate Roth IRA Plan Agreement is not required
- SEP-IRAs can be converted to a Roth IRA
- SIMPLE-IRAs can be converted to a Roth IRA after its 2-year holding period
- Other retirement accounts can not be converted directly to a Roth IRA before January 1, 2008
- Inheriting beneficiary cannot convert an inherited traditional IRA directly to Roth IRA
- Sole spouse beneficiary can elect to treat it as his/her own or any spouse beneficiary can rollover the inherited IRA to his/her own IRA and then convert it to a Roth IRA
- Careful documentation is required

Reporting of IRA Conversion Contributions

Form 8606		Nondeductible IRAs		OMB No. 1545-0074	
Department of the Treasury Internal Revenue Service		Go to www.irs.gov/Form8606 for instructions and the latest information.		2024 Attachment Sequence No. 48	
Name, if married, file a separate form for each spouse required to file 2024 Form 8606. See instructions.		Your social security number			
Home address (number and street, or P.O. box (if mail is not delivered to your home))		Apt. no.			
City, town or post office, state, and ZIP code. If you have a foreign address, also complete the spaces below (see instructions).					
Foreign country name		Foreign province/state/country		Foreign postal code	
Part I Nondeductible Contributions to Traditional IRAs and Distributions From Traditional, Traditional SEP, and Traditional SIMPLE IRAs					
Complete this part only if one or more of the following apply.					
<ul style="list-style-type: none">You made nondeductible contributions to a traditional IRA for 2024.You took distributions from a traditional, traditional SEP, or traditional SIMPLE IRA in 2024 and you made nondeductible contributions to a traditional IRA in 2024 or an earlier year. For this purpose, "distributions" does not include rollovers (but does include certain 2024 retirement plan distribution repayments treated as rollovers (see instructions)). Also, it does not include qualified charitable distributions, one-time distributions to fund an HSA, conversions, recharacterizations, or returns of certain contributions.You converted part, but not all, of your traditional, traditional SEP, and traditional SIMPLE IRAs to Roth, Roth SEP, or Roth SIMPLE IRAs in 2024 and you made nondeductible contributions to a traditional IRA in 2024 or an earlier year.					
1	Enter your nondeductible contributions to traditional IRAs for 2024, including those made for 2024 from January 1, 2025, through April 15, 2025. See instructions			1	
2	Enter your total basis in traditional IRAs. See instructions			2	
3	Add lines 1 and 2			3	
In 2024, did you take a distribution from traditional, traditional SEP, or traditional SIMPLE IRAs, or make a Roth, Roth SEP, or Roth SIMPLE IRA conversion?		No	Enter the amount from line 3 on line 14. Do not complete the rest of Part I.		
		Yes	Go to line 4.		
4	Enter those contributions included on line 1 that were made from January 1, 2025, through April 15, 2025			4	
5	Subtract line 4 from line 3			5	
6	Enter the value of all your traditional, traditional SEP, and traditional SIMPLE IRAs as of December 31, 2024, plus any outstanding rollovers. Subtract certain 2024 retirement plan distribution repayments treated as rollovers, if any (see instructions)			6	
7	Enter your distributions from traditional, traditional SEP, and traditional SIMPLE IRAs in 2024. Do not include rollovers (but do include certain 2024 retirement plan distribution repayments treated as rollovers (see instructions)). Also, do not include qualified charitable distributions; a one-time distribution to fund an HSA; conversions to a Roth, Roth SEP, or Roth SIMPLE IRA; certain returned contributions; or recharacterizations of traditional IRA contributions (see instructions)			7	
8	Enter the net amount you converted from traditional, traditional SEP, and traditional SIMPLE IRAs to Roth, Roth SEP, or Roth SIMPLE IRAs in 2024. Also, enter this amount on line 16			8	
9	Add lines 6, 7, and 8			9	
10	Divide line 5 by line 9. Enter the result as a decimal rounded to at least 3 places. If the result is 1.000 or more, enter "1.000"			10	
11	Multiply line 8 by line 10. This is the nontaxable portion of the amount you converted to Roth, Roth SEP, or Roth SIMPLE IRAs. Also, enter this amount on line 17			11	
12	Multiply line 7 by line 10. This is the nontaxable portion of your distributions that you did not convert to a Roth, Roth SEP, or Roth SIMPLE IRA			12	
13	Add lines 11 and 12. This is the nontaxable portion of all your distributions			13	
14	Subtract line 13 from line 3. This is your total basis in traditional IRAs for 2024 and earlier years			14	
15a	Subtract line 12 from line 7			15a	
b	Enter the amount on line 15a attributable to qualified disaster distributions, if any, from 2024 Form(s) 8915-F (see instructions). Also, enter this amount on 2024 Form(s) 8915-F, line 18, as applicable (see instructions)			15b	
c	Taxable amount. Subtract line 15b from line 15a. Reduce that amount by certain 2024 retirement plan distribution repayments (other than those reported on Form 8915-F) that are treated as rollovers (see instructions). If more than zero, also include this amount on 2024 Form 1040, 1040-SR, or 1040-NR, line 4b			15c	
Note: You may be subject to an additional 10% tax on the amount on line 15c if you were under age 59½ at the time of the distribution. See instructions.					

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 63966F

Form 8606 (2024)

Form 8606 (2024)

Page 2

Part II 2024 Conversions From Traditional, Traditional SEP, or Traditional SIMPLE IRAs to Roth, Roth SEP, or Roth SIMPLE IRAs

Complete this part if you converted part or all of your traditional, traditional SEP, and traditional SIMPLE IRAs to a Roth, Roth SEP, or Roth SIMPLE IRA in 2024.

16	If you completed Part I, enter the amount from line 8. Otherwise, enter the net amount you converted from traditional, traditional SEP, and traditional SIMPLE IRAs to Roth, Roth SEP, or Roth SIMPLE IRAs in 2024	16	
17	If you completed Part I, enter the amount from line 11. Otherwise, enter your basis in the amount on line 16 (see instructions)	17	
18	Taxable amount. Subtract line 17 from line 16. If more than zero, also include this amount on 2024 Form 1040, 1040-SR, or 1040-NR, line 4b	18	

Part III Distributions From Roth, Roth SEP, or Roth SIMPLE IRAs

Complete this part only if you took a distribution from a Roth, Roth SEP, or Roth SIMPLE IRA in 2024. For this purpose, a distribution **does not** include a rollover (but does include certain 2024 retirement plan distribution repayments treated as rollovers (see instructions)). Also, it **does not** include a qualified charitable distribution, one-time distribution to fund an HSA, recharacterization, or return of certain contributions (see instructions).

19	Enter your total nonqualified distributions from Roth, Roth SEP, and Roth SIMPLE IRAs in 2024, including any qualified first-time homebuyer distributions, and any 2024 retirement plan distributions whose repayments are treated as rollovers (see instructions)	19	
20	Qualified first-time homebuyer expenses (see instructions). Do not enter more than \$10,000 reduced by the total of all your prior qualified first-time homebuyer distributions	20	
21	Subtract line 20 from line 19. If zero or less, enter -0-	21	
22	Enter your basis in Roth, Roth SEP, and Roth SIMPLE IRA contributions (see instructions). If line 21 is zero, stop here	22	
23	Subtract line 22 from line 21. If zero or less, enter -0- and skip lines 24 and 25. If more than zero, you may be subject to an additional tax (see instructions)	23	
24	Enter your basis in conversions from traditional, traditional SEP, and traditional SIMPLE IRAs and rollovers from qualified retirement plans to a Roth, Roth SEP, or Roth SIMPLE IRA. See instructions	24	
25a	Subtract line 24 from line 23. If zero or less, enter -0- and skip lines 25b and 25c	25a	
b	Enter the amount on line 25a attributable to qualified disaster distributions, if any, from 2024 Form(s) 8915-F (see instructions). Also, enter this amount on 2024 Form(s) 8915-F, line 19, as applicable (see instructions)	25b	
c	Taxable amount. Subtract line 25b from line 25a. Reduce that amount by certain 2024 retirement plan distribution repayments (other than those reported on Form 8915-F) that are treated as rollovers (see instructions). If more than zero, also include this amount on 2024 Form 1040, 1040-SR, or 1040-NR, line 4b	25c	

Sign Here Only
if You Are Filing
This Form by Itself
and Not With Your

Under penalties of perjury, I declare that I have examined this form, including accompanying attachments, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Special reporting if "basis" from a 401(k) plan is rolled over into a traditional IRA

Complete Part II to show conversion

Roth Conversion Contributions

From a Traditional, SEP or SIMPLE-IRA

Email Guidance-

Is an IRA Accountholder Permitted to Convert a Specific Investment/Asset?

We believe so. The Roth conversion rules are based on the rollover rules. The rollover rules require a person who has withdrawn a specific asset to rollover that specific asset. The IRA recipient if distributed an asset other than cash must rollover that asset if he or she wishes to roll over the distribution. The IRA recipient cannot sell the asset and rollover the proceeds as can be the case if an asset is distributed from a qualified plan.

A person is entitled to withdraw a specific asset from an IRA and roll it over. Therefore, the person is entitled to withdraw a specific asset from an IRA and convert it.

Why do so? Save on taxes. This means, the IRS is not paid as much in federal income taxes. Example, Sondra has five traditional IRAs with a market value as 12/21/2020 of \$450,000. In one of her IRAs she has 1000 shares of ABC Inc. stock. On 12/31/21 it had a FMV of \$50,000. It currently has a value of \$30,000. In the next 12 months she expects it will again be worth \$50,000. Five years from now she expects it will have a value of \$200,000. She is in the 37% tax bracket. By converting when the value is \$30,000 her tax liability will be \$11,100 rather than \$18,500 (37% of \$50,000). Future qualified distributions will not be taxed. They will be tax-free.

Roth Conversion Contributions From a Traditional, SEP or SIMPLE-IRA

See our email guidance on this subject. We have written the IRS for its guidance. We hope to hear shortly from the IRS, but we will not be surprised if we don't hear from the IRS because the IRS probably does not want traditional IRA accountholders to make such conversions.

Q-1. We have client wanting to convert a specific asset or investment. Can she?

A-1. I did research your client's situation.

I was reminded that I/we at CWF had written the attached newsletter article. It's purpose was to discuss the fact that a traditional IRA owner (including SEPs and SIMPLEs) is able under the current law to convert a specific investment. Most likely one which has decreased in value substantially.

I looked on-line and I saw and read quite a few conversion articles, but not CWF's. I could not find one which discussed this ability to convert a specific investment or asset. I did not expect that. So, I ask that your client and you receive a confirmation on this issue from another professional.

Roth Conversion Contributions From a Traditional, SEP or SIMPLE-IRA

A conversion is based on the laws/concepts applying to rollovers. The rollover rules certainly allow a person to do an in-kind rollover. Therefore, a person is allowed to make an in-kind rollover/conversion.

From what I have read, the once per year rule does not apply to conversions.

I'm sure the IRS may not like the tax result in this situation and so the IRS may be working to get the law changed. The IRS may have reduced their on-line discussion of this subject. See the attached email I sent the IRS asking for a confirmation. I'm not sure how quickly the IRS will respond.

Roth Conversion Contributions From a Traditional, SEP or SIMPLE-IRA

Q-2. Asking IRS for Guidance

Dear IRS associate,
I would appreciate your help with the following situation.

Sara has two traditional IRAs with different investments as follows. Do current tax rules allow her to convert (to a Roth IRA) in 2022 just investment #3 which has decreased in value by 40% along with the current market. She wants to not convert the other three investments. She has no basis in her traditional IRAs.

Aggregate Balance of Two Traditional IRAs

	FMV as of 12/31/2021	FMV as of 10/12/2022
IRA#1 - Investment #1	\$35,000	\$36,000
IRA#1 - Investment #2	\$60,000	\$54,000
IRA#2 - Investment #3	\$70,000	\$35,000
IRA#2 - Investment #4	\$50,000	\$40,000
Total	\$215,000	\$165,000

Roth Conversion Contributions From a Traditional, SEP or SIMPLE-IRA

Sara instructs to convert investment #3 which has a current value as of 10/12/2022 of \$35,000. She will include the \$35,000 in her 2022 income. Her conversion would be irrevocable.

I would like the IRS to confirm under existing law that Sara may convert a specific investment, investment #3, and that she is not required to use any pro-rate rule.

Special Administrative Topics – Qualified HSA Funding Distribution

Moving IRA Funds including inherited IRA to an HSA

Pursuant to Notice 2008-51 (*June 2008*), a inherited traditional IRA or Roth IRA beneficiary has the right to make a tax-free transfer of his or her inherited IRA interest to his or her own HSA. It is certainly not clear that the Congress intended to allow a beneficiary to make a tax-free transfer from a decedent's IRA to his or her own HSA, but the IRS has authorized such a transfer in this Notice.

And it gets better. When a beneficiary transfers funds from his or her inherited IRA to an HSA, such a transfer will count to satisfy his or her IRA required distribution from the inherited IRA.

This special benefit also applies to a person age 73 or older.

Special IRA to HSA Transfer

Qualified HSA Funding Distribution

- Must be eligible for HSA contribution
- Must be done as trustee-to-trustee transfer, IRA to HSA
- Reported as annual HSA contribution on Form 5498-SA
- Only one transfer per lifetime allowed
 - Exception when changing from Single HDHP to family HDHP

Example: On 3-15-2025 Jane, age 57, transfers \$9,550 from her IRA to her HSA as her 2025 HSA contribution eligible by her family HDHP.

Requirements

- Qualified HSA Funding Distribution
- Must be an Eligible HSA Contribution
- Must be a trustee-to-trustee transfer
- One per Lifetime
- Testing Period
- Reported as HSA Contribution on 5498-SA
- Reported as an IRA Distribution on 1099-R
- Cannot be made from an ongoing SEP-IRA or SIMPLE IRA.

Example – Jane has a traditional IRA with a balance of \$30,000. She is HSA eligible for 2025. She is age 58. She has a family HDHP. No contributions have yet been made to her HSA for 2025. She instructs she wishes to do a QDF of \$9,550.


IRA	HSA
\$30,000	\$9,550
<9,550>	If used to pay qualified med expense = tax free

No requirement to use these HSA funds within a set time period. Could use immediately or 30 years later

Note – contribution amount is based on family coverage or self-only coverage

CWF HSA # 66

Certification for One Lifetime Transfer of IRA Funds to an HSA

Certification for One Lifetime Transfer of IRA Funds to an HSA			
Custodian/Trustee Information			
Custodian's Name _____			
Address _____			
City _____	State _____	Zip _____	
Attn: _____	Phone _____		
Accountholder Information			
Name _____			
Address _____			
City _____	State _____	Zip _____	
County _____	Date of Birth _____		
Home Phone _____			
SSN: _____	Plan # _____		
Type of IRA: <input type="checkbox"/> Traditional <input type="checkbox"/> Roth			
Certification of Accountholder			
I certify that I am an eligible individual for HSA contribution purposes;			
I hereby instruct the above-named custodian of my IRA to send \$ _____ (not to exceed the applicable contribution amount for the applicable year) via a direct payment to the HSA custodian listed below. I understand that the check or electronic payment must be made out to the HSA custodian, and that such payment is only authorized to be made in tax years beginning after December 31, 2006. I accept the tax consequences for my instruction. I intend this transfer distribution will not be taxable to me. Because of the complexity of this transaction, and the tax issues associated with it, I acknowledge that it is recommended that I discuss this transaction with my tax advisor prior to requesting this distribution. I hereby instruct you that I do not want any withholding withheld from this distribution. I understand that the amount transferred under this special rule counts toward my allowed HSA contribution amount for the year in which the distribution occurs. The carryback contribution rule of Code section 223(d)(4)(B) does not apply to a qualified HSA funding distribution.			
I understand that this IRA-to-HSA direct transfer may be made only once in my lifetime, and I certify that I have not previously made such a transfer. I understand this IRA-to-HSA direct transfer is irrevocable.			
Caveat: This form addresses the rules which apply for federal income tax purposes. This form does not address how such withdrawal will be treated for state income tax purposes.			
Signature of Accountholder _____ Date _____			
Acknowledgment and Reliance by IRA Custodian/Trustee			
Per your instruction, we will distribute funds from your IRA, via direct payment, to the HSA custodian listed below.			
Signature of Remitting Custodian/Trustee _____ Date _____			
Certification of HSA Custodian			
Name _____	Tax ID Number _____		
Address _____			
City _____	State _____	Zip _____	
Phone _____	Fax _____		
Contact Person _____			
On behalf of the individual listed above, I accept this one lifetime HSA contribution.			
Authorized Signature of HSA Custodian _____ Date _____			
 IRA #66-HSA (11/11) White — IRA Custodian/Trustee Yellow — HSA Custodian Pink — Accountholder © 2011 Collin W. Fritz & Associates, Ltd.			

For the year Jan. 1–Dec. 31, 2024, or other tax year beginning _____, 2024, ending _____, 20_____

See separate instructions.

Your first name and middle initial

Last name

Your social security number

If joint return, spouse's first name and middle initial

Last name

Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions.

Apt. no.

Presidential Election Campaign

City, town, or post office. If you have a foreign address, also complete spaces below.

State

ZIP code

Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund.
☐ You ☐ Spouse

Foreign country name

Foreign province/state/county

Foreign postal code

Filing Status

☐ Single☐ Head of household (HOH)

Check only one box.

☐ Married filing jointly (even if only one had income)☐ Qualifying surviving spouse (QSS)☐ Married filing separately (MFS)

If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QSS box, enter the child's name if the qualifying person is a child but not your dependent: _____

☐ If treating a nonresident alien or dual-status alien spouse as a U.S. resident for the entire tax year, check the box and enter their name (see instructions and attach statement if required): _____

Digital Assets

At any time during 2024, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.) ☐ Yes ☐ No

Standard Deduction

Someone can claim: ☐ You as a dependent ☐ Your spouse as a dependent☐ Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness

You: ☐ Were born before January 2, 1960☐ Are blindSpouse: ☐ Was born before January 2, 1960☐ Is blind

Dependents

(see instructions):

If more than four dependents, see instructions and check here ☐

(1) First name	Last name	(2) Social security number	(3) Relationship to you	(4) Check the box if qualifies for (see instructions): Child tax credit	Credit for other dependents
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a Form W-2, see instructions.

1a	Total amount from Form(s) W-2, box 1 (see instructions)	1a	
b	Household employee wages not reported on Form(s) W-2	1b	
c	Tip income not reported on line 1a (see instructions)	1c	
d	Medicaid waiver payments not reported on Form(s) W-2 (see instructions)	1d	
e	Taxable dependent care benefits from Form 2441, line 26	1e	
f	Employer-provided adoption benefits from Form 8839, line 29	1f	
g	Wages from Form 8919, line 6	1g	
h	Other earned income (see instructions)	1h	
i	Nontaxable combat pay election (see instructions)	1i	
z	Add lines 1a through 1h	1z	
2a	Tax-exempt interest	2a	
3a	Qualified dividends	3a	
4a	IRA distributions	4a	8300 00
5a	Pensions and annuities	5a	
6a	Social security benefits	6a	
b	Taxable interest	2b	
b	Ordinary dividends	3b	
b	Taxable amount	4b	0 00 QHD
b	Taxable amount	5b	
b	Taxable amount	6b	
c	If you elect to use the lump-sum election method, check here (see instructions)		
7	Capital gain or (loss). Attach Schedule D if required. If not required, check here	7	
8	Additional income from Schedule 1, line 10	8	
9	Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income	9	
10	Adjustments to income from Schedule 1, line 26	10	
11	Subtract line 10 from line 9. This is your adjusted gross income	11	
12	Standard deduction or itemized deductions (from Schedule A)	12	
13	Qualified business income deduction from Form 8995 or Form 8995-A	13	
14	Add lines 12 and 13	14	
15	Subtract line 14 from line 11. If zero or less, enter -0-. This is your taxable income	15	

Attach Sch. B if required.

Standard Deduction for—

- Single or Married filing separately, \$14,600
- Married filing jointly or Qualifying surviving spouse, \$29,200
- Head of household, \$21,900
- If you checked any box under Standard Deduction, see instructions.

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 11320B

Form 1040 (2024)

A QCD is not a rollover but some people describe it as a rollover to a charity. They should not add to the confusion of a confusing topic.

Proposed Changes for a Spouse Beneficiary

I. Change #1

From 2002-2021 the right of spouse to elect to treat as own was unlimited. The election could be made at any time. That is, even if a spouse decided initially to maintain the inherited IRA as an inherited IRA he or she had the right to later elect to treat the deceased spouse's IRA as their own IRA.

The IRS has proposed that there will be a deadline for a surviving spouse to make the election. The election must be made by the later of-

1. December 31 of the calendar year in which the surviving spouse reaches age 72 or
2. December 31 of the calendar year following the year the deceased IRA owner died.

A surviving spouse loses the right to treat the deceased spouse's IRA as their own if the election is not made by the deadline. The surviving spouse must then use the life distribution rule or the 10-year rule as applicable.

A Spouse Beneficiary

II. Examples Why the IRS Wants to Impose a Deadline to Elect as Own

How may a surviving spouse benefit too much by electing to treat their deceased spouse's IRA as their own IRA?

The first two examples deal with the IRA owner being younger than their spouse and the IRA owner dies before their required beginning date.

Example#1. An IRA owner dies in 2014 at age 69. His spouse beneficiary was older than he was. She was age 74. The IRA owner had died before his required beginning date. She had the right to use either the life distribution rule or she could elect to use the 5-year rule because he had died before his required beginning date. Under the 5-year rule she was required to close this inherited IRA by 12/31/2019. If she elected to use the 5-year rule she was not required to take any RMD for years 2015-2018. And with respect to 2019 she had until 12/30/2019 to elect to treat the inherited IRA as her own IRA. Her election would require her 2019 RMD to be recalculated using the balance of that inherited IRA as of 12/31/2018, but she has definitely benefited by electing to use the 5-year rule. The IRS thinks she should not be able to benefit in this way.

A Spouse Beneficiary

Example #2. This example is similar to Example #1 except the IRA owner died in 2021 at age 70. His spouse beneficiary was older than he was. She was age 75. The IRA owner had died before his required beginning date. She had the right to use either the life distribution rule or she could elect to use the 10-year rule. Under the 10-year rule she is required to close this inherited IRA by 12/31/2031. If she elected to use the 10-year rule she is not required to take any RMD for years 2022-2030. And with respect to 2031 she has until 12/31/2031 to elect to treat the inherited IRA as her own IRA. Her election would require her 2031 RMD to be recalculated using the balance of that inherited IRA as of 12/31/2030, but she definitely will benefit by electing to use the 10-year rule. The IRS thinks she should not be able to benefit in this way.

Example #3. An IRA owner died in 2014 at age 82. His spouse beneficiary was age 86. She did not elect to treat his IRA as her own in 2014. Rather she kept it as an inherited IRA. Because she had elected the 5-year rule, this inherited IRA had to be closed by December 31, 2019. Under the existing rules she could elect to treat his IRA as her own in 2019. This meant her 2019 RMD had to be recalculated and was larger, but she did have to withdraw any amount for years 2015-2018. She might have died during this period.

A Spouse Beneficiary

The IRS is now proposing to place a new limit on the right of a spouse to elect to treat their deceased spouse's IRA as his or her own. It is Example #2 and Example #3 which the IRS wants to limit. Under the SECURE Act the 5-year time period has been replaced with the 10-year rule and the benefits to the spouse (and to her beneficiaries) can be very good.

Note a surviving spouse loses the right to treat the deceased spouse's IRA as their own if the election is not made by the deadline.

If the old rules are allowed to be continued many IRA owners/IRA beneficiaries would elect to use the 10-year rule because no distributions are required for years 1-9 and then the electing as own means their 2301 RMD will be larger but it need not be a lump sum distribution.

Example #3A. An IRA owner died in 2021 at age 82. His spouse beneficiary was age 86. She did not elect to treat his IRA as her own in 2021. Rather she kept it as an inherited IRA. If she is able to use the 10-year rule then she is not required to take any RMD for years 2022-2030. This would mean her 2031 RMD would be much larger, but still a lump sum distribution would not be required.

A Spouse Beneficiary

III. IRS Proposed Change #2

Special Rule for Certain Distributions to Surviving Spouses

This special rule limits the ability to initially use the 5-year rule or the 10-year rule and then later commence annual distributions because the spouse either elects as own or makes a rollover contribution.

The concept is - although the spouse is not required to take any distribution in years 1-4 or years 1-9, a portion of their account balance each year will be deemed to be an RMD and ineligible to be treated as own or rolled over.

This rule applies if the spouse takes a distribution from their inherited IRA in or after the year the spouse attains age 72. A portion of this distribution will be a deemed RMD and is ineligible to be rolled over.

The annual deemed RMD is the sum of each years hypothetical RMD as reduced by any actual distributions. The RMD is calculated by using the life expectancy rule. The first year is the later of the year the spouse reaches age 72 or the calendar year in which IRA owner died. The last year is the year the distribution occurs. The RMD is calculated by using the life expectancy rule, but it is modified. The balance as of the preceding 12/31 must be modified each year. It is reduced by the sum of the hypothetical RMDs for the prior years over any actual distributions during those prior years.

A Spouse Beneficiary

If a spouse misses the deadline for electing to treat as his or her own, the spouse still has the right to rollover to his or her own IRA, but the spouse would be subject to the rule that a portion of the distribution would be an RMD ineligible to be rolled over.



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