



DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, D.C. 20224

201341039

TAX EXEMPT AND  
GOVERNMENT ENTITIES  
DIVISION

JUL 19 2013

T:EP:RA:TS

U.I.L. 408.03-00

XXXXXXXXXXXXXXXXXXXXX  
XXXXXXXXXXXXXXXXXXXXX  
XXXXXXXXXXXXXXXXXXXXX

Legend:

Taxpayer A       = XXXXXXXXXXXXXXXXXXXXX  
IRA X             = XXXXXXXXXXXXXXXXXXXXX  
  
IRA Y             = XXXXXXXXXXXXXXXXXXXXX  
  
Amount D         = XXXXXXXXXXXXXXXXXXXXX  
Bank B            = XXXXXXXXXXXXXXXXXXXXX

Dear xxxxxxxxx:

This letter is in response to your request dated December 13, 2012, as supplemented by correspondence dated February 13, 2013, in which you request a waiver of the 60 day rollover requirement contained in section 408(d)(3) of the Internal Revenue Code (the Code").

The following facts and representations have been submitted under penalty of perjury in support of the ruling requested.

Taxpayer A represents that she received a distribution on January 15, 20<sup>01</sup>, from IRA X totaling Amount D. Taxpayer A asserts that her failure to accomplish a rollover within the 60-day period prescribed by section 408(d)(3) of the Code was due to her grief following her father's death and her involvement in the preparation of her father's memorial service during the 60-day period.

Taxpayer A's father died on December 22, 20<sup>00</sup>. Shortly thereafter a representative of Bank B advised Taxpayer A of the maturing CD in IRA X. Taxpayer A told the representative that due to the unexpected death of her father she could not focus on the matter at that time. Bank B closed IRA X and Taxpayer A received a distribution of Amount D from IRA X on January 15, 20<sup>01</sup>. At that time Taxpayer A put the check for Amount D aside. Taxpayer A did not discover the un-cashed check until April, 20<sup>01</sup> when she started working on her 20<sup>01</sup> tax returns. On April 8, 20<sup>01</sup>, Taxpayer A deposited Amount D into IRA Y with Bank B. Believing that a timely rollover had been completed, Taxpayer A took no further action until she received a discrepancy notice from the IRS in August 20<sup>01</sup>.

Based on the facts and representations, you request a ruling that the Internal Revenue Service waive the 60-day rollover requirement contained in section 408(d)(3) of the Code with respect to the distribution of Amount D.

Section 408(d)(1) of the Code provides that, except as otherwise provided in section 408(d), any amount paid or distributed out of an IRA shall be included in gross income by the payee or distributee, as the case may be, in the manner provided under section 72 of the Code.

Section 408(d)(3) of the Code defines and provides the rules applicable to IRA rollovers.

Section 408(d)(3)(A) of the Code provides that section 408(d)(1) of the Code does not apply to any amount paid or distributed out of an IRA to the individual for whose benefit the IRA is maintained if-

- (i) the entire amount received (including money and any other property) is paid into an IRA for the benefit of such individual not later than the 60<sup>th</sup> day after the day on which the individual received the payment or distribution; or
- (ii) the entire amount received (including money and any other property) is paid into an eligible retirement plan (other than an IRA) for the benefit of such individual not later than the 60<sup>th</sup> day after the date on which the payment or distribution is received, except that the maximum amount which may be paid into such plan may not exceed the portion of the

amount received which is includible in gross income (determined without regard to section 408(d)(3)).

Section 408(d)(3)(B) of the Code provides that section 408(d)(3) does not apply to any amount described in section 408(d)(3)(A)(i) received by an individual from an IRA if at any time during the 1-year period ending on the day of such receipt such individual received any other amount described in section 408(d)(3)(A)(i) from an IRA which was not included in gross income because of the application of section 408(d)(3).

Section 408(d)(3)(D) of the Code provides a similar 60-day rollover period for partial rollovers.

Section 408(d)(3)(E) of the Code provides that the rollover provisions of section 408(d) do not apply to any amount required to be distributed under section 408(a)(6).

Section 408(d)(3)(I) of the Code provides that the Secretary may waive the 60-day requirement under sections 408(d)(3)(A) and 408(d)(3)(D) of the Code where the failure to waive such requirement would be against equity and good conscience, including casualty, disaster, or other events beyond the reasonable control of the individual subject to such requirement. Only distributions that occur after December 31, 2001, are eligible for the waiver under section 408(d)(3)(I) of the Code.

Rev. Proc. 2003-16, 2003-4 I.R. B. 359, provides that in determining whether to grant a waiver of the 60-day rollover requirement pursuant to section 408(d)(3)(I), the Service will consider all relevant facts and circumstances, including : (1) errors committed by a financial institution; (2) inability to complete a rollover due to death, disability, or hospitalization, incarceration, restrictions imposed by a foreign country or postal error; (3) the use of amount distributed (for example, in the case of payment by check, whether the check was cashed); and (4) the time elapsed since the distribution occurred.

The information presented and documentation submitted by Taxpayer A is consistent with her assertion that her failure to accomplish a timely rollover was due to her grief following her father's death and her involvement in the preparation of her father's memorial service during the 60-day rollover period.

Therefore, pursuant to section 408(d) (3)(I) of the Code, the Service hereby waives the 60-day rollover requirement with respect to the distribution of Amount D. Provided all other requirements of Code section 408(d)(3), except the 60-day requirement, are met with respect to the contribution of Amount D to IRA Y on April 10, 2010, such contribution will be considered a rollover contribution within the meaning of section 408(d)(3) of the Code.

This ruling does not authorize the rollover of amounts that are required to be distributed by section 401(a)(9) of the Code.

No opinion is expressed as to the tax treatment of the transactions described herein under the provisions of any other section of either the Code or regulations, which may be applicable thereto.

This ruling is directed only to the taxpayer that requested it. Section 6110(k)(3) of the Code provides that it may not be used or cited by others as precedent.

If you have any questions concerning this ruling, please contact xxxxxxxxxxxx, at xxxxxxxxxxxxxxxxx. All correspondence should be addressed to  
SE: T: EP: T3.

Sincerely yours,



Laura B. Warshawsky, Manager  
Employee Plans Technical Group 3

Enclosures:

Deleted copy of letter ruling  
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