



# **Retirement Plan Hot Topics**



# Presenter

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Filing Payments Refunds Credits & De

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[www.irs.gov/retirement](http://www.irs.gov/retirement)

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# Retirement Plans

- [Benefit Practitioner](#)
- [Plan Participant, Employee](#)
- [Plan Sponsor](#)

## Tax Information for Retirement Plans Community

### [Help with Choosing a Retirement Plan](#)

Web guide to help you compare plans

### [File a Retirement Plan Return](#)

Forms 5500, 5500-SF, 5330, 5558 and 8955-SSA

### [Form 2848 - More Changes](#)

Use the March 2012 version to designate a representative for retirement plan issues.

### [Retirement Plans Phone Forums](#)

Check out upcoming phone forums

### [Fix-It Guides](#)

Find, Fix and avoid common mistakes in plans

### [Cost-of-Living Adjustments \(COLAs\)](#)

Limits on contributions and benefits

### [Examinations and Enforcement](#)

Audit guide, compliance check letters and other programs

### Topics for Retirement Plans

- [IRAs](#)
- [Types of Retirement Plans](#)
- [Required Minimum Distributions](#)
- [Retirement Plan FAQs](#)
- [Published Guidance](#)
- [Forms & Publications](#)
- [Correcting Plan Errors](#)
- [Newsletters](#)
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For employers, business owners and their tax advisors – the latest on retirement plan rules, forms, plain language publications from IRS and other federal agencies. View current or prior editions.

### [Governmental Plans Updates](#)

Recent developments for governmental plans.

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### Topics for Retirement Plans

- IRAs
- Types of Retirement Plans
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- Correcting Plan Errors
- Newsletters
- More Topics



# Retirement News... agenda

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- *myRA*
- IRA One Rollover Rule
- Invalid SSN
- Form 5500-EZ Penalty Relief Program
- Pre-Approved DC Plans
- Plan definition of spouse
- Longevity Annuities



## *myRA*

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- My Retirement Account
- Available later this year
- Employer sponsored
- Open account with \$25, then 5/payday
- Income limits to be eligible – same as Roth IRAs



## myRA

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- Earns G-Fund rate found in Thrift Plan
- Account follows rules for Roth IRAs
- Transfer after 30 years or when account reaches \$15,000
- [Treasurydirect.gov/readysavegrow](https://www.treasurydirect.gov/readysavegrow)



# IRA One Rollover Rule

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- Bobrow v Commissioner v Pub 590
- Announcement 2014-15
  - One rollover per taxpayer per 12-month period
  - Generally effective for distributions occurring in 2015
- What if I do more than one rollover



# IRA One Rollover Rule

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- One rollover allowed per spouse, per 12-month period
- Roth conversions exempt from rule
- 60 day rule
  - Day one is day after the distribution
  - Rollover by the end of day 60



# IRA One Rollover Rule

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- What is a rollover?
- Trustee-to-trustee transfers and direct rollovers are not limited
- How to meet this new one rollover rule



## Invalid SSN

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- How SSN affects plan operations
- A plan participant with an invalid SSN
- Definition of non-resident alien
- Distributions must have valid SSN
- SSN Verification Service
- [www.ssa.gov/employer/ssnv.htm](http://www.ssa.gov/employer/ssnv.htm)



# Form 5500-EZ

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- Which plans may file Form 5500-EZ
- Importance of filing a proper Form 5500-EZ
- Form 5500 Corner at [IRS.gov/retirement](https://www.irs.gov/retirement)



# Form 5500 Series Penalties

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- Form 5500, Form 5500-SF
  - Up to \$1,100/day
  - Delinquent Filer Voluntary Correction Program
- Form 5500-EZ
  - \$25/day, up to \$15,000 per missed return



# Form 5500-EZ

## Pilot Penalty Relief Program

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- Details in Rev. Proc. 2014-32
- No fee to use, no penalties assessed
- Not available if already received a penalty notice from IRS
- Pilot program closes June 2, 2015



# Pre-Approved Defined Contribution Plans

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- Two-year period now open to adopt restated DC plans for current law
- Amendment period open thru April 30, 2016
- Importance of amending properly/timely
- Mistakes to avoid when amending



# Spouse Defined for a Plan

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- Supreme Court ruling on Windsor
- Revenue Ruling 2013-17 defines spouse for federal tax purposes
- Notice 2014-19 clarifies definition of spouse for a retirement plan
- Why the definition is important in a plan



# Spouse Defined for a Plan

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- Important dates to remember
  - June 26, 2013
  - September 16, 2013
- Amendment –
  - Required?
  - Deadline



# Qualified Longevity Annuity

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- Value of qualified longevity annuity excluded from RMD
- Annuity payments begin by age 85
- Cost of annuity limited to lesser of
  - 25% of account balance or,
  - \$125,000



# Qualified Longevity Annuity

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- Must be stated as such in the contract
- May provide for payments to a surviving spouse and to a beneficiary
- If premium exceeds the 25%, \$125,000 limit, correction by end of following calendar year may save QLAC



# Questions and Resources

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- [www.irs.gov/retirement](http://www.irs.gov/retirement)
- RetirementPlanQuestions@irs.gov
- 877-829-5500
- Newsletters