Instructions for Form 5329

Additional Taxes on Qualified Plans (Including IRAs) and Other Tax-Favored Accounts

Section references are to the Internal Revenue Code unless otherwise noted.

General Instructions

What’s New

Qualified disaster distributions. The additional tax on early distributions doesn’t apply to qualified disaster distributions, including 2020 coronavirus-related distributions. See Forms 8915-C, 8915-D, 8915-E, and 8915-F, as applicable, for more details.

Reminders

Maximum age for traditional IRA contributions. The age restriction for contributions to a traditional IRA has been eliminated.

Withdrawals in the case of a birth or adoption of a child. The 10% additional tax on early distributions does not apply to qualified birth or adoption distributions.

Increase in age for mandatory distributions. Individuals who reach age 70½ on January 1, 2020, or later may delay distributions until April 1 of the year following the year in which they turn age 72.

Future Developments

For the latest information about developments related to Form 5329 and its instructions, such as legislation enacted after they were published, go to IRS.gov/Form5329.

Purpose of Form

Use Form 5329 to report additional taxes on:

- IRAs,
- Other qualified retirement plans,
- Modified endowment contracts,
- Coverdell ESAs,
- QTPs,
- Archer MSAs,
- HSAs, or
- ABLE accounts.

Who Must File

You must file Form 5329 if any of the following apply:

- You received a distribution from a Roth IRA and either the amount on line 25c of Form 8606, Nondeductible IRAs, is more than zero, or the distribution includes a recapture amount subject to the 10% additional tax, or it’s a qualified first-time homebuyer distribution (see Distributions from Roth IRAs, later).
- You received a distribution subject to the tax on early distributions from a qualified retirement plan (other than a Roth IRA). However, if distribution code 1 is correctly shown in box 7 of all your Forms 1099-R and you owe the additional tax on the full amount shown on each Form 1099-R, you don’t have to file Form 5329. Instead, see the instructions for Schedule 2 (Form 1040), line 8, in the Instructions for Form 1040, or the Instructions for Form 1040-NR, for how to report the 10% additional tax directly on that line.
- You received a distribution subject to the tax on early distributions from a qualified retirement plan (other than a Roth IRA) and you meet an exception to the tax on early distributions from the list shown later, but box 7 of your Form 1099-R doesn’t indicate an exception or the exception doesn’t apply to the entire distribution.
- You received taxable distributions from Coverdell ESAs, QTPs, or ABLE accounts.
- The contributions for 2021 to your traditional IRAs, Roth IRAs, Coverdell ESAs, Archer MSAs, HSAs, or ABLE accounts exceed your maximum contribution limit, or you had a tax due from an excess contribution on line 17, 25, 33, 41, or 49 of your 2020 Form 5329.
- You didn’t receive the minimum required distribution from your qualified retirement plan. This also includes trusts and estates that didn’t receive this amount. See Waiver of tax for reasonable cause, later, for information on waiving the tax on excess accumulations in qualified retirement plans.

TIP

If you rolled over part or all of a distribution from a qualified retirement plan, the part rolled over isn’t subject to the 10% additional tax on early distributions. See the instructions for Form 1040, or 1040-NR, lines 4a and 4b or lines 5a and 5b, for how to report the rollover.

When and Where To File

File Form 5329 with your 2021 Form 1040, 1040-SR, or 1040-NR by the due date, including extensions, of your tax return.

If you don’t have to file a 2021 income tax return, complete and file Form 5329 by itself at the time and place you would be required to file Form 1040, 1040-SR, or 1040-NR. If you file Form 5329 by itself, then it can’t be filed electronically. Be sure to include your address on page 1 of the form and your signature and the date on page 2 of the form. Enclose, but don’t attach, a check or money order payable to “United States Treasury” for any taxes due. Write your social security number and “2021 Form 5329” on the check. For information on other payment options, including credit or debit card payments, see the Instructions for Form 1040 or the Instructions for Form 1040-NR, or go to IRS.gov.

Prior tax years. If you are filing Form 5329 for a prior year, you must use the prior year’s version of the form. If you don’t have any other changes and haven’t previously filed a federal income tax return for the prior year, file the prior year’s version of Form 5329 by itself (discussed earlier). If you have other changes, file Form 5329 for the prior year with Form 1040-X, Amended U.S. Individual Income Tax Return.

Definitions

Qualified retirement plan. A qualified retirement plan includes:

- A qualified pension, profit-sharing, or stock bonus plan (including a 401(k) plan);
- A tax-sheltered annuity contract (403(b) plan);
- A qualified annuity plan; and
- An IRA.

Note. Modified endowment contracts aren’t qualified retirement plans.

Traditional IRAs. For purposes of Form 5329, a traditional IRA is any IRA, including a simplified employee pension (SEP) IRA, other than a SIMPLE IRA or Roth IRA.

Early distribution. Generally, any distribution from your IRA, other qualified retirement plan, or modified endowment contract before you reach age 59½ is an early distribution.

Qualified retirement plan rollover. Generally, a rollover is a tax-free distribution of assets from one qualified retirement plan that is reinvested in another plan or the same plan. Generally,
you must complete the rollover within 60 days of receiving the distribution. Any taxable amount not rolled over must be included in income and may be subject to the 10% additional tax on early distributions. The IRS may extend the 60-day rollover period for individuals affected by a disaster.

You can roll over (convert) amounts from a qualified retirement plan to a Roth IRA. Any amount rolled over to a Roth IRA is subject to the same rules for converting a traditional IRA to a Roth IRA. You must include in your gross income distributions from a qualified retirement plan that you would have had to include in income if you hadn’t rolled them into a Roth IRA. The 10% additional tax on early distributions doesn’t apply. For more information, see chapter 2 of Pub. 590-A.


Note. The following were effective as of January 1, 2018.
• A qualified plan loan offset is a type of plan loan offset that meets certain requirements. In order to be a qualified plan loan offset, the loan, at the time of the offset, must be a loan in good standing and the offset must be solely by reason of (1) the termination of the qualified employer plan, or (2) the failure to meet the repayment terms is because the employee has a severance from employment. If you meet the requirements of a qualified plan loan offset, you have until the due date, including extensions, to file your tax return for the tax year in which the offset occurs to roll over the qualified plan loan offset amount.
• If a retirement account has been wrongfully levied by the IRS, the amount returned plus interest on such amount may be contributed to the account or to an IRA (other than an endowment contract) to which such a rollover contribution is permitted. You have until the due date, excluding extensions, for filing your tax return for the tax year in which the amount is returned to make the contribution.

In-plan Roth rollover. If you are a participant in a 401(k), 403(b), or governmental 457(b) plan, your plan may permit you to roll over amounts from those plans to a designated Roth account within the same plan. The rollover of any untaxed amounts must be included in income. The 10% additional tax on early distributions doesn’t apply. For more information, see In-plan Roth rollovers under Rollovers in Pub. 575.

ABLE rollover. For an ABLE account, a rollover means a contribution to an ABLE account of a designated beneficiary (or of an eligible individual who is a member of the family of the designated beneficiary) of all or a portion of an amount withdrawn from the designated beneficiary’s ABLE account. The contribution must be made within 60 days of the withdrawal date; and, if the rollover is to the designated beneficiary’s ABLE account, there must have been no rollover to an ABLE account of that beneficiary within the prior 12 months. The IRS may extend the 60-day rollover period for individuals affected by a disaster. An ABLE rollover doesn’t include a contribution to an ABLE account of funds distributed from a QTP account.

Program-to-program transfer. For an ABLE account, a program-to-program transfer includes the direct transfer of the entire balance of an ABLE account into a second ABLE account if both accounts have the same designated beneficiary and the first ABLE account is closed upon completion of the transfer. A program-to-program transfer also occurs when part or all of the balance in an ABLE account is transferred to the ABLE account of an eligible individual who is a member of the family of the former designated beneficiary, as long as no intervening distribution is made to the designated beneficiary.

Additional Information
See the following publications for more information about the items in these instructions.
• Pub. 560, Retirement Plans for Small Business.
• Pub. 575, Pension and Annuity Income.
• Pub. 590-A, Contributions to Individual Retirement Arrangements (IRAs).
• Pub. 590-B, Distributions from Individual Retirement Arrangements (IRAs).
• Pub. 969, Health Savings Accounts and Other Tax-Favored Health Plans.
• Pub. 970, Tax Benefits for Education.

Specific Instructions
Joint returns. If both you and your spouse are required to file Form 5329, complete a separate form for each of you. Include the combined tax on Schedule 2 (Form 1040), line 8.

Amended returns. If you are filing an amended 2021 Form 5329, check the box at the top of page 1 of the form. Don’t use the 2021 Form 5329 to amend your return for any other year. For information about amending a Form 5329 for a prior year, see Prior tax years, earlier.

Part I—Additional Tax on Early Distributions
In general, if you receive an early distribution (including an involuntary cashout) from an IRA, other qualified retirement plan, or modified endowment contract, the part of the distribution included in income is generally subject to the 10% additional tax. But see Distributions from a designated Roth account and Distributions from Roth IRAs, later.

The additional tax on early distributions doesn’t apply to any of the following.
• A qualified disaster distribution, including a 2020 coronavirus-related distribution. See the instructions for Forms 8915-C, 8915-D, 8915-E, and 8915-F, as applicable, for more details.
• A qualified distribution from a retirement plan for the birth or adoption of a child of up to $5,000 if made during the 1-year period beginning on the date your child was born or adopted. Attach a statement that provides the name, age, and TIN of the child or eligible adoptee. If the child died before you obtained a TIN, then write that the child died on the statement and include a copy of the child’s birth certificate, death certificate, or hospital records.

See Notice 2020-68, available at IRS.gov/pub/irs-drop/n-20-68.pdf, for more information.

An eligible adoptee includes any individual (other than a child of the taxpayer’s spouse) who has not reached age 18 or who is an adult and is physically or mentally incapable of self-support.

• A qualified HSA funding distribution from an IRA (other than a SEP or SIMPLE IRA). See Qualified HSA funding distribution under Health Savings Accounts in Pub. 969 for details.
• A distribution from a traditional or SIMPLE IRA that was converted to a Roth IRA.
• A rollover from a qualified retirement plan to a Roth IRA.
• An in-plan Roth rollover.
• A distribution of certain excess IRA contributions (see the instructions for line 15, later, and the instructions for line 23, later).

Note. Any related IRA earnings withdrawn with excess IRA contributions are subject to the 10% additional tax on early
If you received an early distribution from your Roth IRAs, include on line 1 the part of the distribution that you must include in your income. You will find this amount on line 25c of your 2021 Form 8606. You will also need to include on line 1 the following amounts:

- A qualified first-time homebuyer distribution from line 20 of your 2021 Form 8606. Also include this amount on line 2 and enter exception number 09.
- Recapture amounts attributable to any conversions or rollovers to your Roth IRAs in 2017 through 2021. See Recapture amount subject to the additional tax on early distributions next.

Recapture amount subject to the additional tax on early distributions. If you converted or rolled over an amount to your Roth IRAs in 2017 through 2021 and you received an early distribution for 2021, the recapture amount you must include on line 1 is the amount, if any, of the early distribution allocated to the taxable portion of your 2017 through 2021 conversions or rollovers.

Generally, an early distribution is allocated to your Roth IRA contributions first, then to your conversions and rollovers on a first-in, first-out basis. For each conversion or rollover, you must first allocate the early distribution to the portion that was subject to tax in the year of the conversion or rollover, and then to the portion that wasn’t subject to tax. The recapture amount is the sum of the early distribution amounts that you allocate to these taxable portions of your conversions or rollovers.

The recapture amount that you must include on line 1 won’t exceed the amount of your early distribution; and, for purposes of determining this recapture amount, you will allocate a contribution, conversion, or rollover amount (or portion thereof) to an early distribution only once.

For more information about the recapture amount for distributions from a Roth IRA, including how to figure it, see Ordering Rules for Distributions under Are Distributions Taxable? in chapter 2 of Pub. 590-B.
Exceptions to the Additional Tax on Early Distributions

No. Exception

01 Qualified retirement plan distributions (doesn’t apply to IRAs) you receive after separation from service when the separation from service occurs in or after the year you reach age 55 (age 50 for qualified public safety employees).

02 Distributions made as part of a series of substantially equal periodic payments (made at least annually) for your life (or life expectancy) or the joint lives (or joint life expectancies) of you and your designated beneficiary (if from an employer plan, payments must begin after separation from service).

03 Distributions due to total and permanent disability. You are considered disabled if you can furnish proof that you can’t do any substantial gainful activity because of your physical or mental condition. A medical determination that your condition can be expected to result in death or to be of long, continued, and indefinite duration must be made.

04 Distributions due to death (doesn’t apply to modified endowment contracts).

05 Qualified retirement plan distributions up to the amount you paid for unreimbursed medical expenses during the year minus 7.5% of your adjusted gross income (AGI) for the year.

06 Qualified retirement plan distributions made to an alternate payee under a qualified domestic relations order (doesn’t apply to IRAs).

07 IRA distributions made to certain unemployed individuals for health insurance premiums.

08 IRA distributions made for qualified higher education expenses.

09 IRA distributions made for the purchase of a first home, up to $10,000.

10 Qualified retirement plan distributions made due to an IRS levy.

11 Qualified distributions to reservists while serving on active duty for at least 180 days.

12 Other (see Other next). Also, enter this code if more than one exception applies.

Other. The following exceptions also apply.

- Distributions incorrectly indicated as early distributions by code 1, J, or S in box 7 of Form 1099-R. Include on line 2 the amount you received when you were age 59½ or older.
- Distributions from a section 457 plan, which aren’t from a rollover from a qualified retirement plan.
- Distributions from a plan maintained by an employer if:
  1. You separated from service by March 1, 1986;
  2. As of March 1, 1986, your entire interest was in pay status under a written election that provides a specific schedule for the distribution of your entire interest; and
  3. The distribution is actually being made under the written election.
- Distributions that are dividends paid with respect to stock described in section 404(k).
- Distributions from annuity contracts to the extent that the distributions are allocable to the investment in the contract before August 14, 1982. For additional exceptions that apply to annuities, see Tax on Early Distributions under Special Additional Taxes in Pub. 575.
- Distributions that are phased retirement annuity payments made to federal employees. See Pub. 721 for more information on the phased retirement program.
- Permissible withdrawals under section 414(w).
- Qualified birth or adoption distributions. Attach a statement that provides the name, age, and TIN of the child or eligible adoptee.

Part II—Additional Tax on Certain Distributions From Education Accounts and ABLE Accounts

Line 5
Distributions from an ABLE account aren’t included in income if made on or after the death of the designated beneficiary:
- To the estate of the designated beneficiary;
- To an heir or legatee of the designated beneficiary; or
- To pay outstanding obligations due for qualified disability expenses of the designated beneficiary, including a claim filed by a state under a state Medicaid plan.

Line 6
The additional tax doesn’t apply to the distributions that are includible in income described next. Enter on line 6 the amount from line 5 that you can exclude.
- Distributions made due to the death or disability of the beneficiary.
- Distributions from an education account made on account of a tax-free scholarship, allowance, or payment described in section 25A(g)(2).
- Distributions from an education account made because of attendance by the beneficiary at a U.S. military academy. This exception applies only to the extent that the distribution doesn’t exceed the costs of advanced education (as defined in title 10 of the U.S. Code) at the academy.
- Distributions from an education account included in income because you used the qualified education expenses to figure the American opportunity and lifetime learning credits.

Part III—Additional Tax on Excess Contributions to Traditional IRAs

If you contributed more for 2021 than is allowable or you had an amount on line 17 of your 2020 Form 5329, you may owe this tax. But you may be able to avoid the tax on any 2021 excess contributions (see the instructions for line 15, later).

Line 9
Enter the amount from line 16 of your 2020 Form 5329 only if the amount on line 17 of your 2020 Form 5329 is more than zero.

Line 10
Enter the difference, if any, of your contribution limit for traditional IRAs less your contributions to traditional IRAs and Roth IRAs for 2021.

If you aren’t married filing jointly, your contribution limit for traditional IRAs is the smaller of your taxable compensation or $6,000 ($7,000 if age 50 or older at the end of 2021). If you are married filing jointly, your contribution limit is generally $6,000 ($7,000 if age 50 or older at the end of 2021) and your spouse’s contribution limit is $6,000 ($7,000 if age 50 or older at the end of 2021). But if the combined taxable compensation for you and your spouse is less than $12,000 ($13,000 if one spouse is 50 or older at the end of 2021; $14,000 if both spouses are 50 or older at the end of 2021), see How Much Can Be Contributed? for

Also include on line 11a or 11b of the IRA Deduction Worksheet—Schedule 1, Line 20, in the Instructions for Form 1040 or the Instructions for Form 1040-NR, the smaller of:

- Form 5329, line 10; or
- The excess, if any, of Form 5329, line 9, over the sum of Form 5329, lines 11 and 12 (which you will complete next).

**Line 11**
Enter on line 11 any withdrawals from your traditional IRAs that are included in your income. Don’t include any withdrawn contributions reported on line 12.

**Line 12**
Enter on line 12 any amounts included on line 9 that are excess contributions to your traditional IRAs for 1976 through 2019 that you had returned to you in 2021 and any 2020 excess contributions that you had returned to you in 2021 after the due date (including extensions) of your 2020 income tax return if:

- You didn’t claim a deduction for the excess contributions,
- No traditional IRA deduction was allowable (without regard to the modified AGI limitation) for the excess contributions, and
- The total contributions to your traditional IRAs for the tax year for which the excess contributions were made weren’t more than the amounts shown in the following table.

<table>
<thead>
<tr>
<th>Year(s)</th>
<th>Contribution limit</th>
<th>Contribution limit if age 50 or older at the end of the year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019 or 2020</td>
<td>$6,000</td>
<td>$7,000</td>
</tr>
<tr>
<td>2013 through 2018</td>
<td>$5,500</td>
<td>$6,500</td>
</tr>
<tr>
<td>2008 through 2012</td>
<td>$5,000</td>
<td>$6,000</td>
</tr>
<tr>
<td>2006 or 2007</td>
<td>$4,000</td>
<td>$5,000</td>
</tr>
<tr>
<td>2005</td>
<td>$4,000</td>
<td>$4,500</td>
</tr>
<tr>
<td>2002 through 2004</td>
<td>$3,000</td>
<td>$3,500</td>
</tr>
<tr>
<td>1997 through 2001</td>
<td>$2,000</td>
<td>—</td>
</tr>
<tr>
<td>before 1997</td>
<td>$2,250</td>
<td>—</td>
</tr>
</tbody>
</table>

If the excess contribution to your traditional IRA for the year included a rollover and the excess occurred because the information the plan was required to give you was incorrect, increase the contribution limit amount for the year shown in the table above by the amount of the excess that is due to the incorrect information.

If the total contributions for the year included employer contributions to a SEP, increase the contribution limit amount for the year shown in the table above by the smaller of the amount of the employer contributions or:

<table>
<thead>
<tr>
<th>Year(s)</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>$57,000</td>
</tr>
<tr>
<td>2019</td>
<td>$56,000</td>
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<tr>
<td>2018</td>
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<td>2017</td>
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<td>$53,000</td>
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<td>2014</td>
<td>$52,000</td>
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<td>2013</td>
<td>$51,000</td>
</tr>
<tr>
<td>2012</td>
<td>$50,000</td>
</tr>
<tr>
<td>2009, 2010, or 2011</td>
<td>$49,000</td>
</tr>
<tr>
<td>2008</td>
<td>$46,000</td>
</tr>
<tr>
<td>2007</td>
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<td>2006</td>
<td>$44,000</td>
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<td>2005</td>
<td>$42,000</td>
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<tr>
<td>2004</td>
<td>$41,000</td>
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<tr>
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<td>$40,000</td>
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<tr>
<td>2001</td>
<td>$35,000</td>
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<tr>
<td>before 2001</td>
<td>$30,000</td>
</tr>
</tbody>
</table>

**Line 15**
Enter the excess of your contributions to traditional IRAs for 2021 (unless withdrawn—discussed next) over your contribution limit for traditional IRAs. See the instructions for **line 10**, earlier, to figure your contribution limit for traditional IRAs. Don’t include rollovers in figuring your excess contributions.

You can withdraw some or all of your excess contributions for 2021 and they will be treated as not having been contributed if:

- You make the withdrawal by the due date, including extensions, of your 2021 tax return;
- You don’t claim a traditional IRA deduction for the withdrawn contributions; and
- You withdraw any earnings on the withdrawn contributions and include the earnings in gross income (see the Instructions for Form 8606 for details). Also, if you hadn’t reached age 59 1/2 at the time of the withdrawal, include the earnings as an early distribution on line 1 of Form 5329 for the year in which you report the earnings.

If you timely filed your return without withdrawing the excess contributions, you can still make the withdrawal no later than 6 months after the due date of your tax return, excluding extensions. If you do, file an amended return with “Filed pursuant to section 301.9100-2” entered at the top. Report any related earnings for 2021 on the amended return and include an explanation of the withdrawal. Make any other necessary changes on the amended return (for example, if you reported the contributions as excess contributions on your original return, include an amended Form 5329 reflecting that the withdrawn contributions are no longer treated as having been contributed).

**Part IV—Additional Tax on Excess Contributions to Roth IRAs**

If you contributed more to your Roth IRA for 2021 than is allowable or you had an amount on line 25 of your 2020 Form 5329, you may owe this tax. But you may be able to avoid the tax on any 2021 excess contributions (see the instructions for **line 23**, later).

**Line 18**
Enter the amount from line 24 of your 2020 Form 5329 only if the amount on line 25 of your 2020 Form 5329 is more than zero.

**Line 19**
If you contributed less to your Roth IRAs for 2021 than your contribution limit for Roth IRAs, enter the difference. Your contribution limit for Roth IRAs is generally your contribution limit for traditional IRAs (see the instructions for **line 10**, earlier) reduced by the amount you contributed to traditional IRAs. But your contribution limit for Roth IRAs may be further reduced or eliminated if your modified AGI for Roth IRA purposes is over:

- $198,000 if married filing jointly or qualifying widow(er);
- $125,000 if single, head of household, or married filing separately and you didn’t live with your spouse at any time in 2021; or
- $0 if married filing separately and you lived with your spouse at any time in 2021.

See *Can You Contribute to a Roth IRA?* in Pub. 590-A for details.

**Line 20**
Generally, enter the amount from Form 8606, line 19, plus any qualified distributions. But if you withdrew the entire balance of all of your Roth IRAs, don’t enter less than the amount on Form 5329, line 18 (see the Example next).
Example. You contributed $1,000 to a Roth IRA in 2019, your only contribution to Roth IRAs. In 2021, you discovered you weren’t eligible to contribute to a Roth IRA in 2019. On September 7, 2021, you withdrew $800, the entire balance in the Roth IRA. You must file Form 5329 for 2019 and 2020 to pay the additional taxes for those years. When you complete Form 5329 for 2021, you enter $1,000 (not $800) on line 20 because you withdrew the entire balance.

Line 23
Enter the excess of your contributions to Roth IRAs for 2021 (unless withdrawn—discussed below) over your contribution limit for Roth IRAs. See the instructions for line 19, earlier, to figure your contribution limit for Roth IRAs.

Don’t include rollovers in figuring your excess contributions.

You can withdraw some or all of your excess contributions for 2021 and they will be treated as not having been contributed if:
• You make the withdrawal by the due date, including extensions, of your 2021 tax return; and
• You withdraw any earnings on the withdrawn contributions and include the earnings in gross income (see the Instructions for Form 8606 for details).

Also, if you hadn’t reached age 59 1/2 at the time of the withdrawal, include the earnings as an early distribution on line 1 of Form 5329 for the year in which you report the earnings.

If you timely filed your return without withdrawing the excess contributions, you can still make the withdrawal no later than 6 months after the due date of your tax return, excluding extensions. If you do, file an amended return with “Filed pursuant to section 301.9100-2” entered at the top. Report any related earnings for 2021 on the amended return and include an explanation of the withdrawal. Make any other necessary changes on the amended return (for example, if you reported the contributions as excess contributions on your original return, include an amended Form 5329 reflecting that the withdrawn contributions are no longer treated as having been contributed).

Part V—Additional Tax on Excess Contributions to Coverdell ESAs
If the contributions to your Coverdell ESAs for 2021 were more than is allowable or you had an amount on line 33 of your 2020 Form 5329, you may owe this tax. But you may be able to avoid the tax on any 2021 excess contributions (see the instructions for line 31, later).

Line 26
Enter the amount from line 32 of your 2020 Form 5329 only if the amount on line 33 of your 2020 Form 5329 is more than zero.

Line 27
Enter the excess, if any, of the maximum amount that can be contributed to your Coverdell ESAs for 2021 over the amount actually contributed for 2021. Your contribution limit is the smaller of $2,000 or the sum of the maximum amounts the contributor(s) to your Coverdell ESAs are allowed to contribute. The maximum contribution may be limited based on the contributor’s modified AGI. See Contributions in chapter 7 of Pub. 970 for details.

Line 28
Enter your total distributions from Coverdell ESAs in 2021. Don’t include rollovers or withdrawn excess contributions.

Line 31
Enter the excess of the contributions to your Coverdell ESAs for 2021 (unless withdrawn—discussed below) over your contribution limit for Coverdell ESAs. See the instructions for line 27, earlier, to figure your contribution limit for Coverdell ESAs.

Don’t include rollovers in figuring your excess contributions.

You can withdraw some or all of the excess contributions for 2021 and they will be treated as not having been contributed if:
• You make the withdrawal before June 1, 2022; and
• You also withdraw any income earned on the withdrawn contributions and include the earnings in gross income for the year in which the contribution was made.

If you filed your return without withdrawing the excess contributions, you can still make the withdrawal, but it must be made before June 1, 2022. If you do, file an amended return. Report any related earnings for 2021 on the amended return and include an explanation of the withdrawal. Make any other necessary changes on the amended return (for example, if you reported the contributions as excess contributions on your original return, include an amended Form 5329 reflecting that the withdrawn contributions are no longer treated as having been contributed).

Part VI—Additional Tax on Excess Contributions to Archer MSAs
If you or your employer contributed more to your Archer MSA for 2021 than is allowable or you had an amount on line 41 of your 2020 Form 5329, you may owe this tax. But you may be able to avoid the tax on any 2021 excess contributions (see the instructions for line 39, later).

Line 34
Enter the amount from line 40 of your 2020 Form 5329 only if the amount on line 41 of your 2020 Form 5329 is more than zero.

Line 35
If contributions to your Archer MSAs for 2021 were less than your contribution limit for Archer MSAs, enter the difference on line 35. Your contribution limit for Archer MSAs is the smaller of line 3 or line 4 of Form 8853, Archer MSAs and Long-Term Care Insurance Contracts.

Also include on your 2021 Form 8853, line 5, the smaller of:
• Form 5329, line 35; or
• The excess, if any, of Form 5329, line 34, over Form 5329, line 36.

Line 39
Enter the excess of your contributions to your Archer MSA for 2021 from Form 8853, line 2 (unless withdrawn—discussed next), over your contribution limit (the smaller of line 3 or line 4 of Form 8853). Also include on line 39 any excess contributions your employer made. See the Instructions for Form 8853 for details.

You can withdraw some or all of the excess contributions for 2021 and they will be treated as not having been contributed if:
• You make the withdrawal by the due date, including extensions, of your 2021 tax return; and
• You withdraw any income earned on the withdrawn contributions and include the earnings in gross income for the year in which you receive the withdrawn contributions and earnings.

Include the withdrawn contributions and related earnings on Form 8853, lines 6a and 6b.

If you timely filed your return without withdrawing the excess contributions, you can still make the withdrawal no later than 6 months after the due date of your tax return, excluding extensions. If you do, file an amended return with “Filed pursuant to section 301.9100-2” entered at the top. Report any related earnings for 2021 on the amended return and include an explanation of the withdrawal. Make any other necessary changes on the amended return (for example, if you reported the contributions as excess contributions on your original return, include an amended Form 5329 reflecting that the withdrawn contributions are no longer treated as having been contributed).
Part VII—Additional Tax on Excess Contributions to Health Savings Accounts (HSAs)

If you, someone on your behalf, or your employer contributed more to your HSAs for 2021 than is allowable or you had an amount on line 49 of your 2020 Form 5329, you may owe this tax. But you may be able to avoid the tax on any 2021 excess contributions (see the instructions for line 47, later).

Line 42

Enter the amount from line 48 of your 2020 Form 5329 only if the amount on line 49 of your 2020 Form 5329 is more than zero.

Line 43

If contributions to your HSAs for 2021 (line 2 of Form 8889, Health Savings Accounts (HSAs)) were less than your contribution limit for HSAs, enter the difference on line 43. Your contribution limit for HSAs is the amount on line 12 of Form 8889.

Also include on your 2021 Form 8889, line 13, the smaller of:
- Form 5329, line 43; or
- The excess, if any, of Form 5329, line 42, over Form 5329, line 44.

Line 47

Enter the excess of your contributions (including those made on your behalf) to your HSAs for 2021 from Form 8889, line 2 (unless withdrawn—discussed next), over your contribution limit (Form 8889, line 12). Also include on line 47 any excess contributions your employer made. See the Instructions for Form 8889 for details.

You can withdraw some or all of the excess contributions for 2021 and they will be treated as not having been contributed if:
- You make the withdrawal by the due date, including extensions, of your 2021 return; and
- You withdraw any income earned on the withdrawn contributions and include the earnings in gross income for the year in which you receive the withdrawn contributions and earnings.

Include the withdrawn contributions and related earnings on Form 8889, lines 14a and 14b.

If you timely filed your return without withdrawing the excess contributions, you can still make the withdrawal no later than 6 months after the due date of your tax return, excluding extensions. If you do, file an amended return with “Filed pursuant to section 301.9100-2” entered at the top. Report any related earnings for 2021 on the amended return and include an explanation of the withdrawal. Make any other necessary changes on the amended return (for example, if you reported the contributions as excess contributions on your original return, include an amended Form 5329 reflecting that the withdrawn contributions are no longer treated as having been contributed).

Part VIII—Additional Tax on Excess Contributions to ABLE Accounts

If the contributions to your ABLE account for 2021 were more than is allowable, you may owe tax on the net income resulting from the excess contribution.

Line 50

Enter the excess, if any, of the contributions to your ABLE account for 2021 over the contribution limit. Total contributions (including contributions from a section 529 account) made to your ABLE account for 2021 may not exceed $15,000 plus, in the case of an employed designated beneficiary, the applicable amount under section 529A(b)(2)(B)(ii).

Don’t include ABLE rollovers or program-to-program transfers in figuring your excess contributions.

You won’t incur a tax on a contribution to your ABLE account that is in excess of the contribution limit if the qualified ABLE program returns the contribution, including all net income attributable to the contribution, to the person who made the contribution (the “contributor”), and the contributor receives the contribution on or before the due date (including extensions) for filing your federal income tax return. Any net income distributed from the excess contribution to the ABLE account is includible in the gross income of the contributor in the tax year in which the excess contribution was made.

If the contributor receives the contribution after you filed your original tax return but before the due date (including extensions) for filing your return, you may file an amended return reflecting the return of the contribution to the contributor with “Filed pursuant to section 301.9100-2” entered at the top. Make any necessary changes on the amended return. For example, if you reported the contribution as excess contributions on your original return, include an amended Form 5329 reflecting that the withdrawn contributions are no longer treated as having been contributed.

Part IX—Additional Tax on Excess Accumulation in Qualified Retirement Plans (Including IRAs)

You owe this tax if you don’t receive the minimum required distribution from your qualified retirement plan, including an IRA or an eligible section 457 deferred compensation plan. The additional tax is 50% of the excess accumulation, which is the difference between the amount that was required to be distributed and the amount that was actually distributed. The tax is due for the tax year that includes the last day by which the minimum required distribution must be taken.

Line 52

IRA (other than a Roth IRA). You must start receiving distributions from your IRA by April 1 of the year following the year in which you reach age 72. At that time, you can receive your entire interest in the IRA or begin receiving periodic distributions. If you choose to receive periodic distributions, you must receive a minimum required distribution each year. You can figure the minimum required distribution by dividing the account balance of your IRAs (other than Roth IRAs) on December 31 of the year preceding the distribution by the applicable life expectancy. For applicable life expectations, see Figuring the Owner’s Required Minimum Distribution under When Must You Withdraw Assets? in Pub. 590-B.

If the trustee, custodian, or issuer of your IRA informs you of the minimum required distribution, you can use that amount.

If you have more than one IRA, you can take the minimum required distribution from any one or more of the IRAs (other than Roth IRAs).

For more details on the minimum distribution rules (including examples), see When Must You Withdraw Assets? in Pub. 590-B.

A qualified charitable distribution will count towards your minimum required distribution. See Qualified charitable distributions under Are Distributions Taxable? in chapter 1 of Pub. 590-B for more information.

Trusts and estates. Include the amount of tax, if any, on Form 1041, Schedule G, line 8. Enter “From Form 5329” and the amount of the tax to the left of the line 8 entry space.

Roth IRA. There are no minimum required distributions during the lifetime of the owner of a Roth IRA. Following the death of the Roth IRA owner, required distribution rules apply to the beneficiary.
See Must You Withdraw or Use Assets? in Pub. 590-B for details.

Qualified retirement plans (other than IRAs) and eligible section 457 deferred compensation plans. In general, you must begin receiving distributions from your plan no later than April 1 following the later of (a) the year in which you reach age 72, or (b) the year in which you retire.

**Exception.** If you owned more than 5% of the employer maintaining the plan, you must begin receiving distributions no later than April 1 of the year following the year in which you reach age 72, regardless of when you retire.

Your plan administrator should figure the amount that must be distributed each year.

**Waiver of tax for reasonable cause.** The IRS can waive part or all of this tax if you can show that any shortfall in the amount of distributions was due to reasonable error and you are taking reasonable steps to remedy the shortfall. If you believe you qualify for this relief, attach a statement of explanation and file Form 5329 as follows.

1. Complete lines 52 and 53 as instructed.
2. Enter “RC” and the amount of the shortfall you want waived in parentheses on the dotted line next to line 54. Subtract this amount from the total shortfall you figured without regard to the waiver, and enter the result on line 54.
3. Complete line 55 as instructed. You must pay any tax due that is reported on line 55.

The IRS will review the information you provide and decide whether to grant your request for a waiver. If your request is not granted, the IRS will notify you regarding any additional tax you may owe on the shortfall.

**Privacy Act and Paperwork Reduction Act Notice.** We ask for the information on this form to carry out the Internal Revenue laws of the United States. We need this information to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax. You are required to give us this information if you made certain contributions or received certain distributions from qualified plans, including IRAs, and other tax-favored accounts. Our legal right to ask for the information requested on this form is sections 6001, 6011, 6012(a), and 6109 and their regulations. If you do not provide this information, or you provide incomplete or false information, you may be subject to penalties.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103. However, we may give this information to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. commonwealths and possessions to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

The average time and expenses required to complete and file this form will vary depending on individual circumstances. For the estimated averages, see the instructions for your income tax return.

If you have suggestions for making this form simpler, we would be happy to hear from you. See the instructions for your income tax return.