2018
Instructions for Form 8606
Nonedditable IRAs (Rev. July 2020)

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

General Instructions

Future Developments
For the latest information about developments related to the 2018 Form 8606 and its instructions, such as legislation enacted after they were published, go to IRS.gov/Form8606.

What’s New

Tax relief for qualified 2018 disaster distributions. Recent legislation provides special rules that may apply to your 2018 return if you received a distribution from your IRA or other retirement plan and you suffered an economic loss as a result of a major disaster that occurred in 2018. These qualified disaster distributions are described in the 2018 Form 8915-C, Qualified 2018 Disaster Retirement Plan Distributions and Repayments, and its instructions.

Special rules may also apply to your 2018 return if you received a distribution to purchase or construct a main home in a 2018 disaster area, but that home was not purchased or constructed because of the 2018 disaster. For your 2018 return, see the 2018 Form 8915-C and its instructions.

When these Form 8606 instructions went to print, Form 8915-C and its instructions had not been published. They will be available at IRS.gov/Form8915.

You may have to file an amended return on Form 1040X, Amended U.S. Individual Income Tax Return, to claim these benefits on your 2018 return. Form 1040X is available at IRS.gov/Form1040X.

Form 1040A has been retired. Form 1040A is not in use for years after 2017. All references to the form have been removed or explained.

Modified AGI limit for Roth IRA contributions increased. You can contribute to a Roth IRA for 2018 only if your 2018 modified adjusted gross income (AGI) for Roth IRA purposes is less than:
- $199,000 if married filing jointly or qualifying widow(er);
- $135,000 if single, head of household, or married filing separately and you didn’t live with your spouse at any time in 2018; or
- $10,000 if married filing separately and you lived with your spouse at any time in 2018.

See Roth IRAs, later.

Purpose of Form
Use Form 8606 to report:
- Nondeductible contributions you made to traditional IRAs;
- Distributions from traditional, SEP, or SIMPLE IRAs, if you have a basis in these IRAs;
- Conversions from traditional, SEP, or SIMPLE IRAs to Roth IRAs; and
- Distributions from Roth IRAs.

Additional information. For more details on IRAs, see Pub. 590-A, Contributions to Individual Retirement Arrangements (IRAs); and Pub. 590-B, Distributions from Individual Retirement Arrangements (IRAs).

Reminder
No recharacterizations of conversions made in 2018 or later. A conversion of a traditional IRA to a Roth IRA, and a rollover from any other eligible retirement plan to a Roth IRA, made after December 31, 2017, cannot be recharacterized as having been made to a traditional IRA. For more information, see Recharacterizations, later.

Due date for contributions. The due date for making contributions for 2018 to your IRA for most people is Monday, April 15, 2019. If you live in Maine or Massachusetts, you have until Wednesday, April 17, 2019, because of the Patriots Day holiday in those states and the Emancipation Day holiday in the District of Columbia.

Who Must File
File Form 8606 if any of the following apply.
- You made nondeductible contributions to a traditional IRA for 2018, including a repayment of a qualified disaster or reservist distribution.
- You received distributions from a traditional, SEP, or SIMPLE IRA in 2018 and your basis in traditional IRAs is more than zero. For this purpose, a distribution doesn’t include a distribution that is rolled over (other than a repayment of a qualified disaster distribution (see the 2018 Forms 8915B and 8915-C)), qualified charitable distribution, one-time distribution to fund an HSA, conversion, recharacterization, or return of certain contributions.
- You or your spouse transferred all or part of their traditional, SEP, or SIMPLE IRA in 2018 to the other spouse under a divorce or separation agreement where the transfer resulted in a change in the basis of the traditional IRA of either spouse.
- You converted an amount from a traditional, SEP, or SIMPLE IRA to a Roth IRA in 2018.
- You received distributions from a Roth IRA in 2018 (other than a rollover, recharacterization, or return of certain contributions—see the instructions for Part III, later).
- You received a distribution from an inherited traditional IRA that has a basis, or you received a distribution from an inherited Roth IRA that wasn’t a qualified distribution. You may need to file more than one Form 8606. See IRA with basis under What if You Inherit an...
Definitions

Deemed IRAs

A qualified employer plan (retirement plan) can maintain a separate account or annuity under the plan (a deemed IRA) to receive voluntary employee contributions. If in 2018 you had a deemed IRA, use the rules for either a traditional IRA or a Roth IRA depending on which type it was. See Pub. 590-A for more details.

Traditional IRAs

For purposes of Form 8606, a traditional IRA is an individual retirement account or an individual retirement annuity other than a SEP, SIMPLE, or Roth IRA.

Contributions. An overall contribution limit applies to traditional IRAs and Roth IRAs. See Overall Contribution Limit for Traditional and Roth IRAs, later. Contributions to a traditional IRA may be fully deductible, partially deductible, or completely nondeductible.

Basis. Your basis in traditional, SEP, and SIMPLE IRAs is the total of all your nondeductible contributions and nontaxable amounts included in rollovers made to these IRAs minus the total of all your nontaxable distributions, adjusted if necessary (see the instructions for line 2, later).

Roth IRAs

A Roth IRA is similar to a traditional IRA, but has the following features.

• Contributions are never deductible.
• Contributions can be made after the owner reaches age 70 1/2.
• No minimum distributions are required during the Roth IRA owner's lifetime.
• Qualified distributions aren't includible in income.

Qualified distribution. Generally, a qualified distribution is any distribution from your Roth IRA that meets the following requirements.

1. It is made after the 5-year period beginning with the first year for which a contribution was made to a Roth IRA (including a conversion or a rollover from a qualified retirement plan) set up for your benefit, and
2. The distribution is made:
   a. On or after the date you reach age 59 1/2.
   b. After your death.
   c. Due to your disability, or
   d. For qualified first-time homebuyer expenses.

Contributions. You can contribute to a Roth IRA for 2018 only if your 2018 modified AGI for Roth IRA purposes is less than:

• $199,000 if married filing jointly or qualifying widow(er);
• $135,000 if single, head of household, or if married filing separately and you didn't live with your spouse at any time in 2018; or
• $10,000 if married filing separately and you lived with your spouse at any time in 2018.

Use the Maximum Roth IRA Contribution Worksheet to figure the maximum amount you can contribute to a Roth IRA for 2018. If you are married filing jointly, complete the worksheet separately for you and your spouse.

Modified AGI for Roth IRA purposes. First, figure your AGI (Form 1040, line 7; or Form 1040NR, line 35). Then, refigure it by:

1. Subtracting the following.
   a. Roth IRA conversions included on Form 1040, line 4b; or Form 1040NR, line 17b.
   b. Roth IRA rollovers from qualified retirement plans included on Form 1040, line 4b; or Form 1040NR, line 17b.
2. Adding the following.
   a. IRA deduction from Schedule 1 (Form 1040), line 32; or Form 1040NR, line 32.
   b. Student loan interest deduction from Schedule 1 (Form 1040), line 33; or Form 1040NR, line 33.
   c. Tuition and fees from Schedule 1 (Form 1040), line 34.
   d. Domestic production activities deduction included on Schedule 1 (Form 1040), line 36; or Form 1040NR, line 34.

Note. For 2018, the DPAD deduction is only for certain taxpayers who have a DPAD from fiscal-year pass-through entities.

• Exclusion of interest from Form 8815, Exclusion of Interest From Series EE and I U.S. Savings Bonds Issued After 1989.
• Exclusion of employer-provided adoption benefits from Form 8839, Qualified Adoption Expenses.
• Foreign earned income exclusion from Form 2555, Foreign Earned Income; or Form 2555-EZ, Foreign Earned Income Exclusion.
The type and rule above prints on all proofs including departmental reproduction proofs. MUST be removed before printing.

Foreign housing exclusion or deduction from Form 2555.

When figuring modified AGI for Roth IRA purposes, you may have to refigure items based on modified AGI, such as taxable social security benefits and passive activity losses allowed under the special allowance for rental real estate activities. See Can You Contribute to a Roth IRA? in Pub. 590-A for details.

Distributions. See the instructions for Part III, later.

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**Maximum Roth IRA Contribution Worksheet**

**Keep for Your Records**

**Caution:** If married filing jointly and the combined taxable compensation (defined below) for you and your spouse is less than $11,000 ($12,000 if one spouse is 50 or older at the end of 2018; $13,000 if both spouses are 50 or older at the end of 2018), don’t use this worksheet. Instead, see Pub. 590-A for special rules.

1. If married filing jointly, enter $5,500 ($6,500 if age 50 or older at the end of 2018). All others, enter the smaller of $5,500 ($6,500 if age 50 or older at the end of 2018) or your taxable compensation (defined below) .............................................. 1. __________

2. Enter your total contributions to traditional IRAs for 2018 ................................................................. 2. __________

3. Subtract line 2 from line 1 ...................................................................................................................... 3. __________

4. Enter: $199,000 if married filing jointly or qualifying widow(er); $10,000 if married filing separately and you lived with your spouse at any time in 2018. All others, enter $135,000 .................................................................................................................. 4. __________

5. Enter your modified AGI for Roth IRA purposes (discussed earlier) ....................................................... 5. __________

6. Subtract line 5 from line 4. If zero or less, stop here; you may not contribute to a Roth IRA for 2018. See Recharacterizations below if you made Roth IRA contributions for 2018 .................................................................................................................. 6. __________

7. If line 4 above is $135,000, enter $15,000; otherwise, enter $10,000. If line 6 is more than or equal to line 7, skip lines 8 and 9 and enter the amount from line 3 on line 10 .......................................................................................................................... 7. __________

8. Divide line 6 by line 7 and enter the result as a decimal (rounded to at least 3 places) ........................................ 8. __________

9. Multiply line 1 by line 8. If the result isn’t a multiple of $10, increase it to the next multiple of $10 (for example, increase $490.30 to $500). Enter the result, but not less than $200 ................................................................. 9. __________

10. **Maximum 2018 Roth IRA Contribution.** Enter the smaller of line 3 or line 9. See Recharacterizations below if you contributed more than this amount to Roth IRAs for 2018 ................................................................. 10. __________
Overall Contribution Limit for Traditional and Roth IRAs

If you aren't married filing jointly, your limit on contributions to traditional and Roth IRAs is generally the smaller of $5,500 ($6,500 if age 50 or older at the end of 2018) or your taxable compensation (defined below).

If you are married filing jointly, your contribution limit is generally $5,500 ($6,500 if age 50 or older at the end of 2018) and your spouse's contribution limit is $5,500 ($6,500 if age 50 or older at the end of 2018) as well. But if the combined taxable compensation of both you and your spouse is less than $11,000 ($12,000 if one spouse is 50 or older at the end of 2018; $13,000 if both spouses are 50 or older at the end of 2018), see Kay Bailey Hutchison Spousal IRA Limit in Pub. 590-A for special rules.

This limit doesn't apply to employer contributions to a SEP or SIMPLE IRA.

Note. Rollovers, Roth IRA conversions, Roth IRA rollovers from qualified retirement plans and repayments of qualified disaster distributions (see Forms 8915B and 8915-C and their instructions), and qualified reservist contributions don't affect your contribution limit.

The amount you can contribute to a Roth IRA may also be limited by your modified AGI (see Contributions, earlier, and the Maximum Roth IRA Contribution Worksheet).

Taxable compensation. Taxable compensation includes the following.
• Wages, salaries, tips, etc. If you received a distribution from a nonqualified deferred compensation plan or nongovernmental section 457 plan that is included in Form W-2, box 1, or in Form 1099-MISC, box 7, don't include that distribution in taxable compensation. The distribution should be shown in (a) Form W-2, box 11; (b) Form W-2, box 12, with code Z; or (c) Form 1099-MISC, box 15b. If it isn't, contact your employer for the amount of the distribution.
• Nontaxable combat pay if you were a member of the U.S. Armed Forces.
• Self-employment income. If you are self-employed (as a sole proprietor or a partner), taxable compensation is your net earnings from your trade or business (provided your personal services are a material income-producing factor) reduced by your deduction for contributions made on your behalf to retirement plans and the deductible part of your self-employment tax.
• Alimony and separate maintenance.


Recharacterizations

Generally, you can recharacterize (correct) an IRA contribution by making a trustee-to-trustee transfer from one IRA to another type of IRA. Trustee-to-trustee transfers are made directly between financial institutions or within the same financial institution. You must generally make the transfer by the due date of your return (including extensions) and reflect it on your return. However, if you timely filed your return without making the transfer, you can make the transfer within 6 months of the due date of your return, excluding extensions. If necessary, file an amended return reflecting the transfer (see Amending Form 8606, later). Write "Filed pursuant to section 301.9100-2" on the amended return.

No recharacterizations of conversions made in 2018 or later. A conversion of a traditional IRA to a Roth IRA, and a rollover from any other eligible retirement plan to a Roth IRA, made in tax years beginning after December 31, 2017, cannot be recharacterized as having been made to a traditional IRA.

Reporting recharacterizations. Treat any recharacterized IRA contribution as though the amount of the contribution was originally contributed to the second IRA, not the first IRA. For the recharacterization, you must transfer the amount of the original contribution plus any related earnings or less any related loss. In most cases, your IRA trustee or custodian figures the amount of the related earnings you must transfer. If you need to figure the related earnings, see How Do You Recharacterize a Contribution? in chapter 1 of Pub. 590-A. Treat any earnings or loss that occurred in the first IRA as having occurred in the second IRA. You can't deduct any loss that occurred while the funds were in the first IRA. Also, you can't take a deduction for a contribution to a traditional IRA if you later recharacterize the amount. The following discussion explains how to report the two different types of recharacterizations, including the statement that you must attach to your return explaining the recharacterization.

1. You made a contribution to a traditional IRA and later recharacterized part or all of it in a trustee-to-trustee transfer to a Roth IRA. If you recharacterized only part of the contribution, report the nondeductible traditional IRA portion of the remaining contribution, if any, on Form 8606, Part I. If you recharacterized the entire contribution, don't report the contribution on Form 8606. In either case, attach a statement to your return explaining the recharacterization. If the recharacterization occurred in 2018, include the amount transferred from the traditional IRA on Form 1040, line 4a; or Form 1040NR, line 17a. If the recharacterization occurred in 2019, report the amount transferred only in the attached statement, and not on your 2018 or 2019 tax return.

Example. You are single, covered by an employer retirement plan, and you contributed $4,000 to a new traditional IRA on May 27, 2018. On February 24, 2019, you determine that your 2018 modified AGI will limit your traditional IRA deduction to $1,000. The value of your traditional IRA on that date is $4,400. You decide to recharacterize $3,000 of the traditional IRA contribution as a Roth IRA contribution, and have $3,300 ($3,000 contribution plus $300 related earnings) transferred from your traditional IRA to a Roth IRA in a trustee-to-trustee transfer. You deduct the $1,000 traditional IRA contribution on Form 1040. You don't file Form 8606. You attach a statement to your return explaining the recharacterization. The statement indicates that you contributed $4,000 to a traditional IRA on May 27, 2018; recharacterized $3,000 of that contribution on February 24, 2018, by transferring $3,000 plus $300 of related earnings from your traditional IRA to a Roth IRA in a trustee-to-trustee transfer; and deducted the remaining traditional IRA contribution of $1,000 on Form 1040. You don't report the $3,300 distribution from your traditional IRA on your 2018 Form 1040 because the distribution occurred in 2019. You don't report the distribution on your 2019 Form 1040 because the recharacterization related to 2018 and was explained in an attachment to your 2018 return.

2. You made a contribution to a Roth IRA and later recharacterized part or all of it in a trustee-to-trustee transfer to a traditional IRA. Report the nondeductible traditional IRA portion of the recharacterized contribution, if any, on Form 8606, Part I. Don't report the Roth IRA contribution (whether or not you recharacterized all or part of it) on Form 8606. Attach a statement to your

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Instructions for Form 8606 (2018)
Return of IRA contributions or Roth IRA contributions under age 59 1/2 in the year that occurred. Also, if you were under age 59 1/2 at the time of the distribution, the $73 of earnings is subject to the additional 10% tax on early distributions. You include $7.30 on Schedule 4 (Form 1040), line 59.

Return of Excess Traditional IRA Contributions

The return (distribution) in 2018 of excess traditional IRA contributions for years prior to 2018 isn’t taxable if all three of the following apply.

1. The distribution was made after the due date, including extensions, of your tax return for the year for which the contribution was made (if the distribution was made earlier, see Return of IRA Contributions, earlier).
2. No deduction was allowable (without regard to the modified AGI limitation) or taken for the excess contributions.
3. The total contributions (excluding rollovers) to your traditional and SEP IRAs for the year for which the excess contributions were made didn’t exceed 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>2013 through 2017</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>—</td>
<td>$2,000</td>
</tr>
<tr>
<td>before 1997</td>
<td>$2,250</td>
<td>—</td>
</tr>
</tbody>
</table>

Example. On May 28, 2018, you contributed $4,000 to your traditional IRA that is subject to the additional 6% tax on excess contributions, reported on Form 5329. If you make an 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.
The statement indicates that the distribution isn’t taxable because (a) it was made after the due dates of your 2016 and 2017 tax returns, including extensions; (b) your total IRA contributions for each year didn’t exceed $5,500 ($6,500 if age 50 or older at the end of that year); and (c) you didn’t take a deduction for the contributions, and no deduction was allowable because you didn’t have any taxable compensation for those years. The statement also indicates that the distribution reduced your excess contributions to -0-, as reflected on your 2018 Form 5329. Don’t file Form 8606 for 2018. If you are required to file Form 8606 in a year after 2018, don’t include the $7,000 you withdrew in 2018 on line 2.

**Amending Form 8606**

Generally, after you file your return, you can change a nondeductible contribution to a traditional IRA to a deductible contribution or vice versa if you make the change within the time limit for filing Form 1040X (see When To File in the Form 1040X instructions). You may also be able to make a recharacterization (discussed earlier). If necessary, complete a new Form 8606 showing the revised information and file it with Form 1040X.

**Penalty for Not Filing**

If you are required to file Form 8606 to report a nondeductible contribution to a traditional IRA for 2018, but don’t do so, you must pay a $50 penalty, unless you can show reasonable cause.

**Overstatement Penalty**

If you overstate your nondeductible contributions, you must pay a $100 penalty, unless you can show reasonable cause.

**What Records Must I Keep?**

To verify the nontaxable part of distributions from your IRAs, including Roth IRAs, keep a copy of the following forms and records until all distributions are made.

- Page 1 of Forms 1040 or Forms 1040A, 1040NR, or 1040-T filed for each year you made a nondeductible contribution to a traditional IRA.
- Forms 8606 and any supporting statements, attachments, and worksheets for all applicable years.
- Forms 5498, IRA Contribution Information, or similar statements you received each year showing contributions you made to a traditional IRA or Roth IRA.
- Forms 5498 or similar statements you received showing the value of your traditional IRAs for each year you received a distribution.
- Forms 1098-R or W-2P you received for each year you received a distribution.

**Note.** Forms 1040-T, 1040A, and W-2P are forms that were used in prior years.

**Specific Instructions**

**Name and social security number (SSN).** If you file a joint return, enter only the name and SSN of the spouse whose information is being reported on Form 8606.

**More than one Form 8606 required.** If both you and your spouse are required to file Form 8606, file a separate Form 8606 for each of you. If you are required to file Form 8606 for IRAs inherited from more than one decedent, file a separate Form 8606 for each IRA from each decedent.

**Part I—Nondeductible Contributions to Traditional IRAs and Distributions From Traditional, SEP, and SIMPLE IRAs**

**Line 1**

If you used the IRA Deduction Worksheet in the Form 1040 or 1040NR instructions, subtract line 12 of the worksheet (or the amount you chose to deduct on Schedule 1 (Form 1040), line 32; or Form 1040NR, line 32, if less) from the smaller of line 10 or line 11 of the worksheet. Enter the result on line 1 of Form 8606. You can’t deduct the amount included on line 1.

If you used the worksheet Figuring Your Reduced IRA Deduction for 2018 in Pub. 590-A, enter on line 1 of Form 8606 any nondeductible contributions from the appropriate lines of that worksheet.

If you didn’t have any deductible contributions, you can make nondeductible contributions up to your contribution limit (see **Overall Contribution Limit for Traditional and Roth IRAs**, earlier). Enter on line 1 of Form 8606 your nondeductible contributions.

Include on line 1 any repayment of a qualified reservist distribution.

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<table>
<thead>
<tr>
<th>Year</th>
<th>Distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$54,000</td>
</tr>
<tr>
<td>2015 or 2016</td>
<td>$53,000</td>
</tr>
<tr>
<td>2014</td>
<td>$52,000</td>
</tr>
<tr>
<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>
<td>$45,000</td>
</tr>
<tr>
<td>2006</td>
<td>$44,000</td>
</tr>
<tr>
<td>2005</td>
<td>$42,000</td>
</tr>
<tr>
<td>2004</td>
<td>$41,000</td>
</tr>
<tr>
<td>2002 or 2003</td>
<td>$40,000</td>
</tr>
<tr>
<td>2001</td>
<td>$35,000</td>
</tr>
<tr>
<td>before 2001</td>
<td>$30,000</td>
</tr>
</tbody>
</table>
Don’t include on line 1 contributions that you had returned to you with the related earnings (or less any loss). See Return of IRA Contributions, earlier.

Line 2
Generally, if this is the first year you are required to file Form 8606, enter -0-. Otherwise, use the Total Basis Chart to find the amount to enter on line 2.

However, you may need to enter an amount that is more than -0- (even if this is the first year you are required to file Form 8606) or increase or decrease the amount from the chart if your basis changed because of any of the following.

• You had a return of excess traditional IRA contributions (see Return of Excess Traditional IRA Contributions, earlier).
• Incident to divorce, you transferred or received part or all of a traditional IRA (see the next-to-last bulleted item under Line 7, later).
• You rolled over any nontaxable portion of your qualified retirement plan to a traditional, SEP, or SIMPLE IRA that wasn’t previously reported on Form 8606, line 2. Include the nontaxable portion on line 2.

Line 4
If you made contributions to traditional IRAs for 2018 in 2018 and 2019 and you have both deductible and nondeductible contributions, you can choose to treat the contributions made in 2018 first as nondeductible contributions and then as deductible contributions, or vice versa.

Example. You made contributions for 2018 of $2,000 in May 2018 and $2,000 in January 2019, of which $3,000 are deductible and $1,000 are nondeductible. You choose $1,000 of your contribution in 2018 to be nondeductible. You enter the $1,000 on line 1, but not line 4, and it becomes part of your basis for 2018.

Although the contributions to traditional IRAs for 2018 that you made from January 1, 2019, through April 15, 2019 (April 17, 2019, if you live in Maine or Massachusetts), can be treated as nondeductible, they aren’t included in figuring the nontaxable part of any distributions you received in 2018.

Line 6
Enter the total value of all your traditional, SEP, and SIMPLE IRAs as of December 31, 2018, plus any outstanding rollovers. A statement should be sent to you by January 31, 2019, showing the value of each IRA on December 31, 2018. However, if you recharacterized any amounts originally contributed, enter on line 6 the total value, taking into account all recharacterizations of those amounts, including recharacterizations made after December 31, 2018.

For purposes of line 6, a rollover is a tax-free distribution from one traditional, SEP, or SIMPLE IRA that is contributed to another traditional, SEP, or SIMPLE IRA. The rollover must be completed within 60 days after receiving the distribution from the first IRA. An outstanding rollover is generally the amount of any distribution received in 2018 after November 1, 2018, that was rolled over in 2019, but within the 60-day rollover period. A rollover between a SIMPLE IRA and a qualified retirement plan or an IRA (other than a SIMPLE IRA) can only take place after your first 2 years of participation in the SIMPLE IRA. See Pub. 590-A for more details.


Note. Don’t include an outstanding rollover from a traditional, SEP, or SIMPLE IRA to a qualified retirement plan.

Include on line 6 qualified distributions from Part IV of your 2018 Form 8915-C, if any, you repaid before June 18, 2020.

Repayments in 2018 of Qualified Disaster Distributions

The amount you would otherwise enter on line 6 should be reduced by the total amount of qualified disaster distribution repayments that were made in 2018 for qualified disaster distributions made in 2018. Do not reduce line 6 by qualified 2017 disaster distribution repayments that were made in 2018 for qualified 2017 disaster distributions made in 2017.

Example. You received a $30,000 qualified disaster distribution on January 1, 2018 from your traditional IRA. On November 25, 2018, you made a repayment of $10,000 to your traditional IRA. The value of all of your traditional, SEP, and SIMPLE IRAs as of December 31, 2018, was $50,000. You had no outstanding rollovers. You would enter $40,000 ($50,000 minus $10,000 repayment) on line 6.
Line 7
If you received a distribution in 2018 from a traditional, SEP, or SIMPLE IRA, and you also made contributions for 2018 to a traditional IRA that may not be fully deductible because of the income limits, you must make a special computation before completing the rest of this form. For details, including how to complete Form 8606, see Are Distributions Taxable? in chapter 1 of Pub. 590-B.

Don't include any of the following on line 7.
- Distributions that you converted to a Roth IRA.
- Recharacterizations of traditional IRA contributions to Roth IRA contributions.
- Distributions you rolled over to another traditional, SEP, or SIMPLE IRA (whether or not the distribution is an outstanding rollover included on line 6).
- Distributions you rolled over to a qualified retirement plan.
- A one-time distribution to fund an HSA. For details, see Pub. 969, Health Savings Accounts and Other Tax-Favored Health Plans.
- Distributions that are treated as a return of contributions under Return of IRA Contributions, earlier.
- Qualified charitable distributions (QCDs). For details, see Are Distributions Taxable? in chapter 1 of Pub. 590-B.
- Distributions that are treated as a return of excess contributions under Return of Excess Traditional IRA Contributions, earlier.
- Distributions that are incident to divorce. The transfer of part or all of your traditional, SEP, or SIMPLE IRA to your spouse under a divorce or separation agreement isn't taxable to you or your spouse. If this transfer results in a change in the basis of the traditional IRA of either spouse, both spouses must file Form 8606 and show the increase or decrease in the amount of basis on line 2. Attach a statement explaining this adjustment. Include in the statement the character of the amounts in the traditional IRA, such as the amount attributable to nondeductible contributions. Also, include the name and social security number of the other spouse.
- Qualified distributions from Part IV of your 2018 Form 8915-C, if any, you repaid before June 18, 2020.

Line 8
If, in 2018, you converted any amounts from traditional, SEP, or SIMPLE IRAs to a Roth IRA, enter on line 8 the net amount you converted.

Line 15b
If all your distributions are qualified disaster distributions, enter the amount from line 15a on line 15b. If you have distributions unrelated to qualified disasters, as well as qualified disaster distributions, you will need to multiply the amount on line 15a by a fraction. The numerator of the fraction is the total of your qualified disaster distributions and the denominator is the amount from Form 8606, line 7.

Example. You received a $15,000 distribution, unrelated to a qualified disaster, from your traditional IRA (that you did not roll over). Later, you received a qualified disaster distribution from your traditional IRA in the amount of $5,000. You reported all of the $5,000 on the 2018 Form 8915-C. You had no other distributions. You will report total distributions of $20,000 on Form 8606, line 7. You will then complete lines 8 through 14 as instructed. Form 8606, line 15a, shows an amount of $10,000. You will enter $2,500 ($10,000 x $5,000/$20,000) on line 15b. You will also enter $2,500 on line 13 of the 2018 Form 8915-C.

Line 19
If you were under age 59½ at the time you received distributions from your traditional, SEP, or SIMPLE IRA, there is generally an additional 10% tax on the portion of the distribution that is included in income (25% for a distribution from a SIMPLE IRA during the first 2 years of your participation in the plan). See the instructions for Schedule 4 (Form 1040), line 59; or the instructions for Form 1040NR, line 57; and also the Instructions for Form 5329.

Part II—2018 Conversions From Traditional, SEP, or SIMPLE IRAs to Roth IRAs
Complete Part II if you converted part or all of your traditional, SEP, or SIMPLE IRAs to a Roth IRA in 2018.

Line 16
If you didn't complete line 8, see the instructions for that line. Then, enter on line 16 the amount you would have entered on line 8 had you completed it.

Line 17
If you didn't complete line 11, enter on line 17 the amount from line 2 (or the amount you would have entered on line 2 if you had completed that line) plus any contributions included on line 1 that you made before the conversion.

Line 18
If your entry on line 18 is zero or less, don't include the result on Form 1040, line 4b; or Form 1040NR, line 17b. Include the full amount of the distribution on Form 1040, line 4a; or Form 1040NR, line 17a.

Part III—Distributions From Roth IRAs
Complete Part III to figure the taxable part, if any, of your 2018 Roth IRA distributions.

Line 19
Don't include on line 19 any of the following.
- Distributions that you rolled over, including distributions made in 2018 and rolled over after December 31, 2018 (outstanding rollovers).
- Recharacterizations.
- Distributions that are a return of contributions under Return of IRA Contributions, earlier.
- Distributions made on or after age 59½ if you made a contribution (including a conversion or a rollover from a qualified retirement plan) for any year from 1998 through 2013.
- A one-time distribution to fund an HSA. For details, see Pub. 969.
- Qualified charitable distributions (QCDs). For details, see Are Distributions Taxable? in chapter 1 of Pub. 590-B.
- Distributions made upon death or due to disability if a contribution was made (including a conversion or a rollover from a qualified retirement plan) for any year from 1998 through 2013.
- Distributions that are incident to divorce. The transfer of part or all of your Roth IRA to your spouse under a divorce or separation agreement isn't taxable to you or your spouse.
- Qualified distributions from Part IV of your 2018 Form 8915-C, if any, you repaid before June 18, 2020.
Line 20
If you had a qualified first-time homebuyer distribution from your Roth IRA and you made a contribution (including a conversion or a rollover from a qualified retirement plan) to a Roth IRA for any year from 1998 through 2013, enter the amount of your qualified expenses on line 20, but don't enter more than $10,000 reduced by the total of all your prior qualified first-time homebuyer distributions. For details, see Are Distributions Taxable? in chapter 2 of Pub. 590-B.

Line 22
Figure the amount to enter on line 22 as follows.
• If you didn't take a Roth IRA distribution before 2018 (other than an amount rolled over or recharacterized or a returned contribution), enter on line 22 the total of all your regular contributions to Roth IRAs for 1998 through 2018 (excluding rollovers from other Roth IRAs and any contributions that you had returned to you), adjusted for any recharacterizations.
• If you did take such a distribution before 2018, see the Basis in Regular Roth IRA Contributions Worksheet to figure the amount to enter.
• Increase the amount on line 22 by any amount rolled in from a designated Roth account since these amounts are treated as investment in the contract.
• Increase or decrease the amount on line 22 by any basis in regular contributions received or transferred incident to divorce. Also attach a statement similar to the one explained in the next-to-last bulleted item under Line 7, earlier.
• Increase the amount on line 22 by the amounts received as a military gratuity or SGLI payment that was rolled over to your Roth IRA.
• Increase the amount on line 22 by any amount received as qualified settlement income in connection with the Exxon Valdez litigation and rolled over to your Roth IRA.
• Increase the amount on line 22 by any “airline payments” you received as a result of your employment with an airline that you rolled over to your Roth IRA. However, don't include the amounts attributable to airline payments that you transferred from a Roth IRA to a traditional IRA because of the FAA Modernization and Reform Act of 2012.

Line 23
Generally, there is an additional 10% tax on 2018 distributions from a Roth IRA that are shown on line 23. The additional tax is figured on Form 5329, Part I. See the Instructions for Form 5329, line 1, for details and exceptions.

Line 24
Figure the amount to enter on line 24 as follows.
• If you have never made a Roth IRA conversion or rolled over an amount from a qualified retirement plan to a Roth IRA, enter -0- on line 24.
• If you took a Roth IRA distribution (other than an amount rolled over or recharacterized or a returned contribution) before 2018 in excess of your basis in regular Roth IRA contributions, see the Basis in Roth IRA Conversions and Rollovers From Qualified Retirement Plans to Roth IRAs chart to figure the amount to enter on line 24.
• If you didn't take such a distribution before 2018, enter on line 24 the total of all your conversions to Roth IRAs. These amounts are shown on line 14c of your 1998, 1999, and 2000 Forms 8606 and line 16 of your 2001 through 2018 Forms 8606. Also include on line 24 any amounts rolled over from a qualified retirement plan to a Roth IRA for 2008, 2009, and 2011 to 2018 reported on your Form 1040, Form 1040A, or Form 1040NR, and line 21 of your 2010 Form 8606. Don't include amounts rolled in from a designated Roth account since these amounts are included on line 22.
• Increase or decrease the amount on line 24 by any basis in conversions to Roth IRAs and amounts rolled over from a qualified retirement plan to a Roth IRA received or transferred incident to divorce. Also attach a statement similar to the one explained in the next-to-last bulleted item under Line 7, earlier.

Line 25b
If all your distributions are qualified disaster distributions, enter the amount from line 25a on line 25b. If you have distributions unrelated to qualified disasters, as well as qualified disaster distributions, you will need to multiply the amount on line 25a by a fraction. The numerator of the fraction is the total of your qualified disaster distributions and the denominator is the amount from Form 8606, line 21.

Example. In 2018, you received a $15,000 distribution, unrelated to a qualified disaster, from your Roth IRA (that you did not roll over). Later in 2018, you received a qualified disaster distribution from your Roth IRA in the amount of $5,000. You reported all of the $5,000 on the 2018 Form 8915-C. You had no other distributions. You will report total distributions of $20,000 on Form 8606, line 19. You have no first-time homebuyer expenses reported on line 20, so you would also enter $20,000 on line 21. You will then complete lines 22 through 24 as instructed. Form 8606, line 25a, shows an amount of $10,000. You will enter $2,500 ($10,000 x 5,000/$20,000) on line 25b. You will also enter $2,500 on line 14 of the 2018 Form 8915-C.
Basis in Regular Roth IRA Contributions
Worksheet—Line 22

Before you begin: You will need your Form 8606 for the most recent year prior to 2018 when you received a distribution.

Note. Don’t complete this worksheet if you never received a distribution from your Roth IRAs prior to 2018.

1. Enter the most recent year prior to 2018 you reported distributions on Form 8606 (for example, 2014) ................................ 1. __ __ __ __

2. Enter your basis in Roth IRA contributions reported on Form 8606 for the year entered on line 1 (see Table 1) ........................................ 2. ____________

3. Enter your Roth IRA distributions* reported on Form 8606 for the year entered on line 1 (see Table 2) ........................................ 3. ____________

4. Subtract line 3 from line 2. Enter zero if the resulting amount is zero or less .................................................................................. 4. ____________

5. Enter the total of all your regular contributions** to Roth IRAs after the year entered on line 1 ......................................................... 5. ____________

6. Add lines 4 and 5. Enter this amount on your 2018 Form 8606, line 22 ......................................................................................... 6. ____________

*Excluding rollovers, recharacterizations, and contributions that you had returned to you.

**Excluding rollovers, conversions, and any contributions that you had returned to you.

Table 1 for Line 2 above

<table>
<thead>
<tr>
<th>If the year entered on Line 1 was</th>
<th>Then enter on Line 2 the amount from the following line</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>Form 8606, line 29</td>
</tr>
<tr>
<td>2003, 2002, 2001</td>
<td>Form 8606, line 20</td>
</tr>
<tr>
<td>2000 and 1999</td>
<td>Form 8606, line 18d</td>
</tr>
<tr>
<td>1998</td>
<td>Form 8606, line 19c</td>
</tr>
</tbody>
</table>

Table 2 for Line 3 above

<table>
<thead>
<tr>
<th>If the year entered on Line 1 was</th>
<th>Then enter on Line 3 the amount from the following line</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>Form 8606, line 26</td>
</tr>
<tr>
<td>2000 and 1999</td>
<td>Form 8606, line 17</td>
</tr>
<tr>
<td>1998</td>
<td>Form 8606, line 18</td>
</tr>
</tbody>
</table>

Instructions for Form 8606 (2018)
## Basis in Roth IRA Conversions and Rollovers From Qualified Retirement Plans to Roth IRAs—Line 24

<table>
<thead>
<tr>
<th>Year</th>
<th>Conditions</th>
<th>Calculation</th>
<th>Line Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>Your 2017 Form 8606, line 22, was less than line 19 of that Form 8606</td>
<td>The excess, if any, of your 2017 Form 8606, line 24, over line 23 of that Form 8606.</td>
<td>Line 16 of your 2018 Form 8606 and certain rollovers reported on your 2018 tax return.</td>
</tr>
<tr>
<td>2016</td>
<td>Your 2016 Form 8606, line 22, was less than line 19 of that Form 8606</td>
<td>The excess, if any, of your 2016 Form 8606, line 24, over line 23 of that Form 8606.</td>
<td>Line 16 of your 2017 and 2018 Forms 8606 and certain rollovers reported on your 2017 and 2018 tax returns.</td>
</tr>
<tr>
<td>2015</td>
<td>Your 2015 Form 8606, line 22, was less than line 19 of that Form 8606</td>
<td>The excess, if any, of your 2015 Form 8606, line 24, over line 23 of that Form 8606.</td>
<td>Line 16 of your 2016 through 2018 Forms 8606 and certain rollovers reported on your 2016 through 2018 tax returns.</td>
</tr>
<tr>
<td>2014</td>
<td>Your 2014 Form 8606, line 22, was less than line 19 of that Form 8606</td>
<td>The excess, if any, of your 2014 Form 8606, line 24, over line 23 of that Form 8606.</td>
<td>Line 16 of your 2015 through 2018 Forms 8606 and certain rollovers reported on your 2015 through 2018 tax returns.</td>
</tr>
<tr>
<td>2013</td>
<td>Your 2013 Form 8606, line 22, was less than line 19 of that Form 8606</td>
<td>The excess, if any, of your 2013 Form 8606, line 24, over line 23 of that Form 8606.</td>
<td>Line 16 of your 2014 through 2018 Forms 8606 and certain rollovers reported on your 2014 through 2018 tax returns.</td>
</tr>
<tr>
<td>2012</td>
<td>Your 2012 Form 8606, line 22, was less than line 19 of that Form 8606</td>
<td>The excess, if any, of your 2012 Form 8606, line 24, over line 23 of that Form 8606.</td>
<td>Line 16 of your 2013 through 2018 Forms 8606 and certain rollovers reported on your 2013 through 2018 tax returns.</td>
</tr>
<tr>
<td>2011</td>
<td>Your 2011 Form 8606, line 22, was less than line 19 of that Form 8606</td>
<td>The excess, if any, of your 2011 Form 8606, line 24, over line 23 of that Form 8606.</td>
<td>Line 16 of your 2012 through 2018 Forms 8606 and certain rollovers reported on your 2012 through 2018 tax returns.</td>
</tr>
<tr>
<td>2010</td>
<td>Your 2010 Form 8606, line 29, was less than line 26 of that Form 8606</td>
<td>The excess, if any, of your 2010 Form 8606, line 31, over line 30 of that Form 8606. (refigure line 30 without taking into account any amount entered on Form 8606, line 27).</td>
<td>Line 16 of your 2011 through 2018 Forms 8606 and certain rollovers reported on your 2011 through 2018 tax returns, OR Line 16 of your 2011 through 2018 Forms 8606; lines 16 and 21 of your 2010 Form 8606 if you didn’t check the boxes on line 19 or 24 of your 2010 Form 8606; and certain rollovers reported on your 2011 through 2018 tax returns.</td>
</tr>
<tr>
<td>2009</td>
<td>Your 2009 Form 8606, line 22, was less than line 19 of that Form 8606</td>
<td>The excess, if any, of your 2009 Form 8606, line 24, over line 23 of that Form 8606.</td>
<td>Line 16 of your 2010 through 2018 Forms 8606; line 21 of your 2010 Form 8606; and certain rollovers reported on your 2011 through 2018 tax returns.</td>
</tr>
<tr>
<td>2008</td>
<td>Your 2008 Form 8606, line 22, was less than line 19 of that Form 8606</td>
<td>The excess, if any, of your 2008 Form 8606, line 24, over line 23 of that Form 8606.</td>
<td>Line 16 of your 2009 through 2018 Forms 8606; line 21 of your 2010 Form 8606; and certain rollovers reported on your 2011 through 2018 tax returns.</td>
</tr>
<tr>
<td>2007</td>
<td>Your 2007 Form 8606, line 22, was less than line 19 of that Form 8606</td>
<td>The excess, if any, of your 2007 Form 8606, line 24, over line 23 of that Form 8606.</td>
<td>Line 16 of your 2008 through 2018 Forms 8606; line 21 of your 2010 Form 8606; and certain rollovers reported on your 2008, 2009, and 2011 through 2018 tax returns.</td>
</tr>
<tr>
<td>2006</td>
<td>Your 2006 Form 8606, line 22, was less than line 19 of that Form 8606</td>
<td>The excess, if any, of your 2006 Form 8606, line 24, over line 23 of that Form 8606.</td>
<td>Line 16 of your 2007 through 2018 Forms 8606; line 21 of your 2010 Form 8606; and certain rollovers reported on your 2008, 2009, and 2011 through 2018 tax returns.</td>
</tr>
</tbody>
</table>

1Excluding rollovers, recharacterizations, and contributions that you had returned to you.
2Refigure line 23 without taking into account any amount entered on Form 8606, line 20.
3Amounts rolled over from qualified retirement plans to Roth IRAs from your Form 1040, line 16a, for 2017 and earlier returns (line 4a for 2018 tax returns); Form 1040A, line 12a (Form 1040A was retired for 2018); or Form 1040NR, line 17a.
4Don’t include any in-plan Roth rollovers entered on line 21.

Continued on next page.
### Basis in Roth IRA Conversions and Rollovers From Qualified Retirement Plans to Roth IRAs—Line 24 (continued)

<table>
<thead>
<tr>
<th><strong>IF</strong> the most recent year prior to 2018 in which you had a distribution(^1) in excess of your basis in contributions was . . .</th>
<th><strong>THEN</strong> enter on Form 8606, line 24, this amount . . .</th>
<th><strong>PLUS</strong> the sum of the amounts on the following lines . . .</th>
</tr>
</thead>
</table>
| **2005**  
(your 2005 Form 8606, line 22, was less than line 19 of that Form 8606) | The excess, if any, of your 2005 Form 8606, line 24, over line 23\(^2\) of that Form 8606. | Line 16 of your 2006 through 2018 Forms 8606; line 21 of your 2010 Form 8606;\(^4\) and certain rollovers\(^3\) reported on your 2008, 2009, and 2011 through 2018 tax returns. |
| **2004**  
(your 2004 Form 8606, line 22, was less than line 19 of that Form 8606) | The excess, if any, of your 2004 Form 8606, line 24, over line 23\(^2\) of that Form 8606. | Line 16 of your 2005 through 2018 Forms 8606; line 21 of your 2010 Form 8606;\(^4\) and certain rollovers\(^3\) reported on your 2008, 2009, and 2011 through 2018 tax returns. |
| **2003**  
(you had an amount on your 2003 Form 8606, line 21) | The excess, if any, of your 2003 Form 8606, line 22, over line 21 of that Form 8606. | Line 16 of your 2004 through 2018 Forms 8606; line 21 of your 2010 Form 8606;\(^4\) and certain rollovers\(^3\) reported on your 2008, 2009, and 2011 through 2018 tax returns. |
| **2002**  
(you had an amount on your 2002 Form 8606, line 21) | The excess, if any, of your 2002 Form 8606, line 22, over line 21 of that Form 8606. | Line 16 of your 2003 through 2018 Forms 8606; line 21 of your 2010 Form 8606;\(^4\) and certain rollovers\(^3\) reported on your 2008, 2009, and 2011 through 2018 tax returns. |
| **2001**  
(you had an amount on your 2001 Form 8606, line 21) | The excess, if any, of your 2001 Form 8606, line 22, over line 21 of that Form 8606. | Line 16 of your 2002 through 2018 Forms 8606; line 21 of your 2010 Form 8606;\(^4\) and certain rollovers\(^3\) reported on your 2008, 2009, and 2011 through 2018 tax returns. |
| **2000**  
(you had an amount on your 2000 Form 8606, line 19) | The excess, if any, of your 2000 Form 8606, line 25, over line 19 of that Form 8606. | Line 16 of your 2001 through 2018 Forms 8606; line 21 of your 2010 Form 8606;\(^4\) and certain rollovers\(^3\) reported on your 2008, 2009, and 2011 through 2018 tax returns. |
| **1999**  
(you had an amount on your 1999 Form 8606, line 19) | The excess, if any, of your 1999 Form 8606, line 25, over line 19 of that Form 8606. | Line 14c of your 2000 Form 8606; line 16 of your 2001 through 2018 Forms 8606; line 21 of your 2010 Form 8606;\(^4\) and certain rollovers\(^3\) reported on your 2008, 2009, and 2011 through 2018 tax returns. |
| **1998**  
(you had an amount on your 1998 Form 8606, line 20) | The excess, if any, of your 1998 Form 8606, line 14c, over line 20 of that Form 8606. | Line 14c of your 1999 and 2000 Forms 8606; line 16 of your 2001 through 2018 Forms 8606; line 21 of your 2010 Form 8606;\(^4\) and certain rollovers\(^3\) reported on your 2008, 2009, and 2011 through 2018 tax returns. |
| **Didn’t have such a distribution in excess of your basis in contributions** | The amount from your 2018 Form 8606, line 16 | Line 14c of your 1998 through 2000 Forms 8606; line 16 of your 2001 through 2017 Forms 8606; line 21 of your 2010 Form 8606;\(^4\) and certain rollovers\(^3\) reported on your 2008, 2009, and 2011 through 2018 tax returns. |

\(^1\)Excluding rollovers, recharacterizations, and contributions that you had returned to you.’

\(^2\)Refigure line 23 without taking into account any amount entered on Form 8606, line 20.

\(^3\)Amounts rolled over from qualified retirement plans to Roth IRAs from your Form 1040, line 16a, for 2017 and earlier returns (line 4a for 2018 tax returns); Form 1040A, line 12a (Form 1040A was retired for 2018); or Form 1040NR, line 17a.

\(^4\)Don’t include any in-plan Roth rollovers entered on line 21.