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TAX EXEMPT AND  
GOVERNMENT ENTITIES  
DIVISION

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

AUG 31 2005

Uniform Issue No: 408.03-00

*T:EP:RA:UK*

Legend:

Taxpayer A

IRA C

Company D

Bank 1

Date E

Date F

Amount G

Amount H

Dear :

This letter is in response to your letter dated March 28, 2003, as supplemented by additional correspondence dated June 23, 2003, in which you request a waiver of the 60-day rollover requirement contained in section 408(d)(3) of the Internal Revenue Code (the "Code").

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

Taxpayer A established and maintained IRA C with Company D. On Date E Taxpayer A received a distribution from IRA C in Amount G with the intent of rolling over Amount H to another IRA within the 60-day rollover period. During the applicable 60-day rollover period, Taxpayer A's mother-in-law suffered a severe stroke and within a month of the stroke died. From the time of the stroke until her death, Taxpayer A was the primary care giver for her spouse's mother.

On Date F, shortly after the expiration of the 60 day rollover period, Taxpayer A attempted to rollover Amount H into another IRA, however, it was beyond the 60 day rollover period, at which time Amount H was deposited with Bank 1 where it has remained pending the outcome of Taxpayer's A request for a waiver of the 60 day rollover period.

Based on the above facts and representations, you request that the Internal Revenue Service waive the 60 day rollover requirement with respect to the distribution from IRA C. You believe that the failure to waive such requirement would be against equity or good conscience.

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

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

Section 408(d)(3)(A) of the Code provides that section 408(d)(1) of the Code does not apply to any amount paid or distributed out of an IRA to the individual for whose benefit the IRA is maintained if (i) the entire amount received (including money and any other property) is paid into an IRA for the benefit of such individual not later than the 60<sup>th</sup> day after the day on which the individual receives the payment or distribution; or (ii) the entire amount received (including money and any other property) is paid into an eligible retirement plan (other than an IRA) for the benefit of such individual not later than the 60<sup>th</sup> day after the date on which the payment or distribution is received, except that the maximum amount which may be paid into such plan may not exceed the portion of the amount received which is includible in gross income (determined without regard to section 408(d)(3)).

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

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

Section 408(d)(3)(I) of the Code provides that the Secretary may waive the 60-day requirement under sections 408(d)(3)(A) and 408(d)(3)(D) of the Code where the failure to waive such requirement would be against equity or good conscience, including casualty, disaster, or other events beyond the reasonable

control of the individual subject to such requirement. Only distributions that occurred after December 31, 2001, are eligible for the waiver under section 408(d)(3)(I) of the Code.

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

The information and documentation presented indicates your failure to accomplish a timely rollover was due to the medical condition of your mother-in-law and your responsibility as her primary care giver during the rollover period and her subsequent death.

Therefore, pursuant to section 408(d)(3)(I) of the Code, the Service hereby waives the 60-day rollover requirement with respect to the distribution of Amount H. Taxpayer A is granted a period of 60 days from the issuance of this ruling letter to contribute Amount H into a rollover IRA. Provided all other requirements of section 408(d)(3) of the Code, except the 60-day requirement, are met with respect to such contributions, these amounts will be considered rollover contributions within the meaning of section 408(d)(3) of the Code.

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

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

If you wish to inquire about this ruling, please contact , I.D. Number at . Please address all correspondence to .

Sincerely yours,



Manager  
Employee Plans Technical Group 4

Enclosures:

Deleted Copy of this Letter  
Notice of Intention to Disclose, Notice 437