



TAX EXEMPT AND  
GOVERNMENT ENTITIES  
DIVISION

DEPARTMENT OF THE TREASURY **200651034**  
INTERNAL REVENUE SERVICE  
WASHINGTON, D.C. 20224  
**SEP 25 2006**

Legend:

Taxpayer A = ,

IRA X =

Credit Union A =

Amount B =

Amount C =

Bank D =

Date 1 =

Date 2 =

Dear :

This is in response to your request dated , and supplemented by additional information received on , submitted by your authorized representative 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:

On Date 1 Taxpayer A, age , represents that he received a distribution from IRA X totaling Amount B. Taxpayer A asserts that his failure to accomplish a rollover within the 60-day period prescribed by section 408(d)(3) was due to a miscommunication with Bank D which led to Amount C being placed into a non-IRA account. Taxpayer A further represents that Amount C has not been used for any other purpose.

Taxpayer A, who is legally blind, handles his own financial affairs with supportive help from the institutions he does business with. It was Taxpayer A's intention to rollover Amount C into a rollover IRA with Bank D to receive a higher interest rate. On Date 2, within the 60-day rollover period, Taxpayer A took documentation from Credit Union A to Bank D to verify that Amount B was distributed from IRA X. Taxpayer A verbally requested that Amount C be rolled into a rollover IRA. There was a miscommunication or misunderstanding with the representative of Bank D and Amount C was placed into a non-IRA account.

Taxpayer A became aware that Amount C was not placed into a rollover IRA during April 2006 when he had his tax return prepared.

Based on the above facts and representations, Taxpayer A requests a ruling that the Internal Revenue Service waive the 60-day rollover requirement contained in section 408(d)(3) of the Code with respect to Amount C.

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 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 presented and documentation submitted by Taxpayer A is consistent with his assertion that his failure to accomplish a timely rollover was due to a miscommunication with Bank D which led to Amount C being placed into a non-IRA account.

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 C. Taxpayer A is granted a period of 60 days from the issuance of this ruling letter to

contribute Amount C into a rollover IRA. Provided all other requirements of section 408(d)(3) of the Code (except the 60-day requirement) are met such contribution will be considered a rollover contribution within the meaning of section 408(d) 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 ruling is directed only to the taxpayer that requested it. Section 6110(k)(3) of the Code provides that it may not be used or cited by others as precedent.

A copy of this letter has been sent to your authorized representative in accordance with a power of attorney on file in this office.

If you have any questions please contact \_\_\_\_\_, I.D. # \_\_\_\_\_, at (\*\*\*)

Sincerely yours,

*Ada Perry*

*for*

Donzell Littlejohn, Manager  
Employee Plans Technical Group 4