



TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

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

201415014

JAN 16 2014

Uniform Issue List: 408.03-00

T:EP:RA:TI

Legend:

Taxpayer A =

IRA B =

Financial Institution C =

Account D =

Financial Institution E =

Amount 1 =

Dear:

This letter is in response to your request dated May 24, 2013 and supplemented by correspondence dated July 15, 2013, September 12, 2013, September 30, 2013, November 12, 2013, November 21, 2013, and November 27, 2013 from 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 ("Code").

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

Taxpayer A represents that Amount 1 was distributed from IRA B on October 6, 2011. Taxpayer A asserts that her failure to accomplish a rollover of Amount 1 within the 60-day period prescribed by Code section 408(d)(3) was due to the

actions of her spouse which prevented her from managing her financial affairs. Taxpayer A further represents that Amount 1 has not been used for any purpose and that Amount 1 remains in Account D.

Taxpayer A represents that she owned IRA B which was maintained with Financial Institution C. Taxpayer A further represents that she had a very difficult marriage with her spouse and that she lived in fear of his abusive treatment. Taxpayer A asserts that her spouse forced her to sign a distribution request form for IRA B. The request was received by Financial Institution C on October 5, 2011. Financial Institution C approved the disbursement of Amount 1 from IRA B on October 6, 2011. On October 7, 2011, Taxpayer A's spouse picked up the check in the name of Taxpayer A for Amount 1 at the office of Financial Institution C. Taxpayer A was not in the office of Financial Institution C at the time Taxpayer's spouse picked up the check. On October 19, 2011, Amount 1 was deposited in Account D, a non-IRA account with Financial Institution E.

Taxpayer A represents her spouse handled all financial matters including financial matters on behalf of Taxpayer A. Taxpayer A further represents that her spouse did not provide her with an explanation of the purpose of the transfer of Amount 1 from IRA B to Account D. Taxpayer A represents that at the time of the transfer of the IRA funds, due to the abusive behavior of her spouse, she was afraid to question his actions. In addition, Taxpayer A had been forced to leave the principal residence where she and her spouse had been living together. The spouse is now deceased and Taxpayer A has control over her funds.

Taxpayer A submitted documentation from Financial Institution C describing how the distribution of Amount 1 was made to Taxpayer's spouse.

Based on the above facts and representations, you request that the Internal Revenue Service ("Service") waive the 60-day rollover requirement contained in section 408(d)(3) of the Code with respect to the distribution of Amount 1.

Section 408(d)(1) of the Code provides that, except as otherwise provided in section 408(d) of the Code, 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 60th 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 60th 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)(E) of the Code provides that the rollover provisions of section 408(d) do not apply to any amount required to be distributed under section 408(a)(6).

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 (January 27, 2003) provides that in determining whether to grant a waiver of the 60-day rollover requirement pursuant to sections 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 the documentation submitted by Taxpayer A is consistent with her assertion that her failure to accomplish a timely rollover of Amount 1 was a result of the abusive actions of her spouse which prevented her from managing her financial affairs.

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

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1 from IRA B. Taxpayer A is granted a period of 60 days from the issuance of this letter ruling to contribute Amount 1 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 contribution, the contribution will be considered a rollover contribution within the meaning of section 408(d)(3).

This ruling does not authorize the rollover of amounts that are required to be distributed by section 408(a)(6) 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.

A copy of this letter ruling has been sent to your authorized representative pursuant to a power of attorney on file in this office. If you wish to inquire about this ruling, please contact (I.D.), SE:T:EP:RA:T1, at () .

Sincerely yours,



Carlton A. Watkins, Manager
Employee Plans Technical Group 1

Enclosures:

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

cc: