



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

OFFICE OF THE CHIEF COUNSEL

June 12, 2015

Number: **2015-0021**  
Release Date: 6/26/2015

CC:TEGE:EB:QP1  
GENIN-119613-15

UIL: 402.08-01

Attention:

Dear \_\_\_\_\_ :

This letter responds to your request dated October 17, 2013, in which you requested information regarding a proposed rollover from your husband's defined benefit pension plan into an individual retirement account (IRA).

The Internal Revenue Code requires that, within a reasonable time before making a payment, the plan administrator of a qualified retirement plan must provide a written explanation to any recipient of a payment that is considered "an eligible rollover distribution."

A payment is an eligible rollover distribution if it is eligible to be rolled over to an IRA or an employer plan. In general, most single sum distributions from a plan that the surviving spouse of a deceased participant would receive would be considered an eligible rollover distribution, although there are some exceptions. The plan administrator should be able to confirm whether a payment is an eligible rollover distribution.

The written explanation the plan sponsor is required to provide must include, among other things, information regarding plan distributions, including an explanation of your ability to directly transfer a distribution to an eligible retirement plan (including an IRA) and the consequences for failing to complete a rollover.

For your reference, I have attached a copy of Internal Revenue Service Notice 2014-74, 2014-50 I.R.B. 937 which includes a "safe harbor notice" for plans to use for this purpose. The sample notice included as part of Notice 2014-74 is

similar to the type of notice a plan administrator must provide before distributing an eligible rollover distribution from a plan. I have also excerpted the special rules that apply to surviving spouses of deceased participants from the notice and copy them directly below:

***If you are a surviving spouse.*** *If you receive a payment from the Plan as the surviving spouse of a deceased participant, you have the same rollover options that the participant would have had, as described elsewhere in this notice. In addition, if you choose to do a rollover to an IRA, you may treat the IRA as your own or as an inherited IRA.*

*An IRA you treat as your own is treated like any other IRA of yours, so that payments made to you before you are age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies) and required minimum distributions from your IRA do not have to start until after you are age 70½.*

*If you treat the IRA as an inherited IRA, payments from the IRA will not be subject to the 10% additional income tax on early distributions. However, if the participant had started taking required minimum distributions, you will have to receive required minimum distributions from the inherited IRA. If the participant had not started taking required minimum distributions from the Plan, you will not have to start receiving required minimum distributions from the inherited IRA until the year the participant would have been age 70½.*

This letter has called your attention to certain general principles of the law. It is intended for informational purposes only and does not constitute a ruling. See Section 2.04 of Revenue Procedure 2015-1, 2015-1 IRB 1 (Jan. 2, 2015). If you have any additional questions, please contact our office at .

A copy of this letter is being sent to your authorized representative in accordance with a Power of Attorney (Form 2848) on file with this office.

Sincerely,

William B. Hulteng  
Acting Branch Chief  
Qualified Plans Branch 1  
(Tax Exempt and Government Entities)

Enclosure

Internal Revenue Notice 2014-74

cc: