



TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

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

APR 11 2014

201427027

Uniform Issue List: 408.03-00

T:EP.RA.TI

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Legend:

Taxpayer A	= XXXXXXXXXXXXXXXXXXXX
IRA B	= XXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXX
Financial Institution C	= XXXXXXXXXXXXXXXXXXXX
Account D	= XXXXXXXXXXXXXXXXXXXX
Financial Institution E	= XXXXXXXXXXXXXXXXXXXX
Amount 1	= XXXXXXXXXXXXXXXXXXXX

Dear XXXXXXXXXXXXXXXX:

This is in response to your request dated August 19, 2013, as supplemented by correspondence dated December 2, 2013, and March 4, 2014, in which your authorized representative requested, on your behalf, 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 she received a distribution of Amount 1 from IRA B. Taxpayer A asserts that her failure to accomplish a rollover within the 60-day period prescribed by section 408(d)(3) was due to significant family and work related issues which impaired her ability to complete the rollover within 60-days.

Taxpayer A maintained IRA B with Financial Institution C. Taxpayer A represents that she had suffered significant investment losses in IRA B and, as a result, she took a distribution of Amount 1 on February 22, 2013, with the intention to complete a rollover with another financial institution.

After the distribution, Taxpayer A represents that her workload at her job increased significantly resulting in her consistently working 60-hours per week. Taxpayer A represents she did not have the opportunity to conduct the necessary research into other investments at another financial institution. During this time, Taxpayer A was also caring for her elderly mother transporting her to and from medical appointments and hospital stays as well as helping with everyday household tasks such as grocery shopping and home maintenance. In addition, Taxpayer A was involved in a custody hearing that involved her son which necessitated meetings with her son's lawyer and multiple court appearances.

On July 12, 2013, which date was after the expiration of the 60-day rollover period, Taxpayer A attempted to complete a rollover but was informed she was outside of the 60-day period. Taxpayer A then deposited Amount 1 into non-IRA Account D with Financial Institution E.

Based on the facts and representations, a ruling has been requested that the Internal Revenue 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), 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)(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 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 Service has the authority to waive the 60-day rollover requirement for a distribution from a qualified retirement plan where the individual failed to complete a rollover to another qualified plan or IRA within the 60-day rollover period but was prevented from doing so because of one of the factors enumerated above in Revenue Procedure 2003-16. In this instance, however, the Service finds that the documentation and materials provided by Taxpayer A do not demonstrate how any of these factors resulted in her failure to accomplish a timely rollover of Amount 1. Taxpayer A represented that her inability to complete a rollover of Amount 1 was caused by significant family and work related issues during the 60-day rollover period. However, these issues existed prior to the withdrawal and did not appreciably increase during the 60-day period.

Therefore, the Service declines to waive the 60-day rollover requirement with respect to the distribution of Amount 1 from IRA B.

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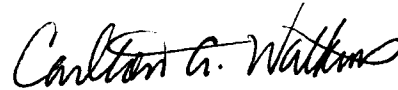
No opinion is expressed as to the tax treatment of the transaction described herein under the provisions of any other section of either the Code or regulations which may be applicable thereto.

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 is being 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 XXXXXXXXXX (ID XXXXXXXXXX) at (XXX) XXX-XXXX. Please address all correspondence to SE:T:EP:RA:T1.

Sincerely,



Carlton A. Watkins, Manager
Employee Plans Technical Group 1

Enclosures:

Deleted copy of ruling letter
Notice of Intention to Disclose