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

JUN 01 2015

Uniform Issue List: 408.03-00

SE: T: EP: RA: TI

Legend:

Taxpayer A =

IRA X =

Bank B =

IRA Y =

Financial Institution C =

Amount 1 =

Dear :

This is in response to your letter dated May 20, 2014, as supplemented by correspondence dated August 31, 2014, and March 13, 2015, submitted on your behalf 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.

Taxpayer A maintained IRA X with Bank B. Taxpayer A represents that on April 9, 2013, he received a distribution from IRA X totaling Amount 1. Taxpayer A asserts that his failure to accomplish a rollover within the 60-day

period prescribed by section 408(d)(3) was due to Taxpayer A's mental condition which impaired his ability to make sound financial decisions.

Medical documentation submitted on behalf of Taxpayer A states that Taxpayer A suffers from mild cognitive impairment and moderate clinical depression. In 2013, Taxpayer A's son requested Taxpayer A's financial assistance to settle a divorce. Taxpayer A became emotionally distraught and confused and on April 9, 2013, he withdrew Amount 1 from IRA X. Taxpayer A represents that he was under physical and emotional duress and could not think clearly when he withdrew Amount 1 from IRA X even though he had sufficient funds in other non-IRA accounts at the time.

Taxpayer A further represents that his ability to pay attention to detail has diminished and that he becomes overwhelmed when dealing with multiple issues. Consequently, Taxpayer A did not roll over Amount 1 into another IRA account in a timely manner. Taxpayer A was not aware that he did not roll over Amount 1 to another IRA until his tax return for 2013 was being prepared. On April 11, 2014, pursuant to advice from his tax preparer, Taxpayer A deposited Amount 1 into IRA Y with Financial Institution C. Amount 1 remains in IRA Y and has not been used for any other purpose.

Based on the facts and representations, you request 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 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)(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 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 medical documentation submitted by Taxpayer A is consistent with his assertion that his failure to accomplish a timely rollover was due to Taxpayer A's mental condition which impaired his ability to make sound financial decisions.

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 1 from IRA X. Provided all other requirements of section 408(d)(3) of the Code, except the 60-day requirement, are met, the contribution of Amount 1 into IRA Y will be considered a rollover contribution within the meaning of section 408(d)(3) of the Code.

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 (ID#) at () . Please address all correspondence to

Sincerely yours,

Manager
Employee Plans Technical Group 1

Enclosures:

Deleted copy of ruling letter
Notice of Intention to Disclose

cc: