



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

OFFICE OF THE CHIEF COUNSEL

September 13, 2024

Number: **2024-0015**
Release Date: 9/27/2024

Index Number: 72.20-00; 408.06-00; 408.08-00

CCC:EEE:EB:QP1:
GENIN-114112-24

Via Regular Mail

Dear _____ :

Thank you for your e-mail, dated July 2, 2024, requesting additional information related to the full withdrawal of an IRA annuity. To get more information on your request, we have called you several times but have not been able to get in contact with you.

You stated in your e-mail that the annuity company will charge you an amount to withdraw the annuity. This is most likely a surrender charge under the terms of your annuity contract. You should check with the annuity company to confirm this.

You mention in your e-mail a tax of 10 percent. Under section 72(t)(1) of the Internal Revenue Code (Code), a 10-percent additional tax applies to distributions from an IRA unless an exception applies. For example, under Code section 72(t)(2)(A)(i), the 10 percent additional tax does not apply to distributions after the IRA owner reaches age 59½. For more information, see [Retirement topics - Exceptions to tax on early distributions | Internal Revenue Service \(irs.gov\)](#) (attached).

Please keep in mind that IRA annuity distributions (unless from a Roth IRA annuity) that you receive generally are subject to applicable income and estimated taxes.

If you have any further questions, please contact Gregory Burns at (202)-317-4545.

Sincerely,

/s/ Brandon M. Ford

By: _____

Brandon M. Ford
Senior Technician Reviewer
Qualified Plans Branch 4
Office of Associate Chief Counsel
(Employee Benefits, Exempt Organizations, and
Employment Taxes)