



# TaxNewsFlash

## United States

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### **Rev. Proc. 2016-47: Waiver of 60-day rollover requirement for retirement plans, IRAs**

The IRS today released an advance version of Rev. Proc. 2016-47 that includes rules for waiver of the 60-day rollover requirement from one retirement plan or individual retirement arrangement (IRA) into another plan or IRA by providing a “self-certification procedure” for taxpayers to use in claiming rollover treatment.

#### **Background**

In general, an eligible distribution from an IRA or workplace retirement plan can only qualify for tax-free rollover treatment if it is contributed to another IRA or workplace plan by the 60th day after it was received. In most cases, taxpayers who fail to meet the time limit may obtain a waiver by requesting a private letter ruling from the IRS.

#### **Rev. Proc. 2016-47**

With the issuance of [Rev. Proc. 2016-47](#) [PDF 47 KB], eligible taxpayers may encounter a variety of mitigating circumstances, but may still qualify for a waiver of the 60-day time limit and avoid possible early distribution taxes.

- Rev. Proc. 2016-47 includes a “self-certification procedure” that may be used by a taxpayer claiming eligibility for a waiver under with respect to a rollover into a plan or IRA.
- A plan administrator or an IRA trustee, custodian, or issuer may rely on the certification in accepting and reporting receipt of a rollover contribution.
- Also, today’s release states that the IRS may grant a waiver during an examination of the taxpayer’s income tax return. Rev. Proc. 2016-47 includes a model letter that may be used for self-certification.

In a related release—[IR-2016-113](#) (August 24 2016)—the IRS explained that the self-certification procedure is designed to help recipients of retirement plan distributions who inadvertently miss the 60-day time limit for properly rolling these amounts into another retirement plan or IRA. Taxpayers who missed the time limit will now ordinarily qualify for a waiver if one or more of 11 circumstances, as listed in the revenue procedure, apply to them. These circumstances include: a distribution check that was misplaced and never cashed; the taxpayer's home was severely damaged; a family member died; the taxpayer or a family member was seriously ill; the taxpayer was incarcerated; or restrictions were imposed by a foreign country.

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