

IRS Expands Reasons for Self-Certification of Eligibility for a Waiver of the 60-Day Rollover Requirements

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The Internal Revenue Code provides that amounts distributed from a qualified plan or individual retirement arrangement (IRA) will be excluded from income if they are transferred to an eligible retirement plan within 60 days following the day of receipt. The IRS previously announced in Rev. Proc. 2016-47 (the *Prior Rev. Proc.*) that individuals who fail to rollover retirement plan distributions into a new retirement plan or IRA within 60 days may self-certify to the new plan's administrator or the IRA's trustee that the individual qualifies for a waiver of the 60-day rollover requirement. The *Prior Rev. Proc.* listed 11 reasons that support waiving the 60-day rollover requirement, which include an error committed by a financial institution, a lost or uncashed distribution check, or the death or serious illness of a family member. In Rev. Proc. 2020-46, the IRS expanded this list to include instances in which the distribution was made to a state unclaimed property fund. Rev. Proc. 2020-46 also contains a model letter that individuals may use to certify they qualify for the waiver, which a plan administrator or IRA trustee may rely on so long as they do not know the information provided by the individual is untrue. The updated self-certification procedure is effective as of October 16, 2020.

Rev. Proc. 2020-46 is available [here](#).