The Pension Digest

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ALSO IN THIS ISSUE –

Collin W. Fritz and Associates, Inc.,
"The Pension Specialists"

Will the IRS be Updating in 2010 the Model IRA Forms for Traditional and Roth IRAs

The IRS has indicated it will be issuing revised IRA plan agreement forms. IRAs were not given a high priority by the IRS during the Bush administration. The IRS should have updated their IRA forms long ago to incorporate numerous law changes. CWF has amended its IRA plan agreements for the numerous law changes since 2002. In general, the IRS last revised the basic IRA plan agreement forms in 2002. The IRS under the Obama administration has set the following schedule to issue updated forms.

Type of IRA	Form Number	Release Date
Traditional IRAs	Form 5305 and 5305-A	January 11, 2010
Roth IRAs	Form 5305-R and 5305-RA	April 30, 2010
SIMPLE IRAs	Form 5305-S and 5305-SA	January 11, 2010
SEP IRAs	Form 5305-SEP and 5305A-SEP	April 30, 2010 (Employer forms)
SIMPLE IRAs	Form 5305-SIMPLE and Form 5304-SIMPLE	September 29, 2011 (Employer forms)

IRA Amendments in 2010.

Presumably, the IRS will be issuing guidance regarding when an IRA custodian must use the new IRA plan agreements and when it must furnish copies of these new plan agreements via an amendment to existing IRA accountholders and beneficiaries. We will keep you informed.

RMD Duties in 2010

RMDs were waived for 2009. With the huge budget deficit and the need for tax revenues, it is very unlikely there will be another waiver of RMDs for 2010. The standard RMD rules apply to an IRA custodian for 2010. The deadline to furnish the RMD Notice is February 1, 2010 since January 31 falls on a Sunday. The IRS could assess a $50.00 penalty for each notice not furnished in a correct or timely manner.

A complying RMD notice must be prepared and furnished by February 1, 2010. There are two complying notices. Under the first approach, the IRA custodian calculates the IRA accountholder's RMD for 2010 and informs him or her of this amount,

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informs him or her that his or her deadline is either December 31, 2010 (if attained age 70½ before 2010) or April 1, 2011, if attained age 70½ during 2010; and that the 2009 Form 5498 will be completed (box 11 is checked)to inform the IRS that he or she is subject to the RMD rules for 2010. Under the second approach, rather than calculating the RMD amount for 2010, the individual is informed in writing that the IRA custodian has not calculated the RMD amount, but will do so if the individual calls the IRA custodian. The other two requirements are the same.

Third RMD Notice Method.

The IRS has now created a third method of complying with the RMD rules.

The IRA custodian may furnish an individual with a copy of the 2009 Form 5498 in January of 2010. It would show the contributions made during the 2009 calendar year. Box 11 would be checked if the individual would be attaining age 70½ or older in 2010. The IRA custodian would need to furnish the IRA accountholder a "corrected 2009 Form 5498" if the IRA accountholder made a carryback contribution for 2009 during January 1 to April 15, 2010. The IRA custodian would also complete box 12a indicating the individual's RMD date. This will either be December 31, 2010 or April 1, 2011. The custodian would also complete Box 12b indicating the RMD amount.

Many IRA custodians have adopted the approach of furnishing the 5498 forms in January rather than a customer statement and then sending out a corrected form to those who make carryback contributions. That is, many IRA custodian have eliminated the approach of furnishing an IRA statement in January. This approach saves on mailing costs. The IRS is being "nice" to IRA custodians by allowing the 2009 Form 5498 to also be used to satisfy the 2010 RMD notice requirement. That is, the cost associated with the RMD notice may be eliminated and there may also be some savings on mailing costs.

However, it may also accomplish another goal of the IRS. Under present law, the IRS does not require an IRA custodian to inform the IRS of the required distribution amount of each of its IRA accountholders subject to the RMD rules.

The IRS may obtain this information if an IRA custodian voluntarily furnishes it by completing boxes 12a and 12b. We at CWF would suggest an IRA custodian not complete boxes 12a and 12b unless all of its IRA accountholders have consented to releasing this information to the IRS. Such consent would normally be obtained via the IRA plan agreement or some other written consent document.

A sample 2010 RMD notice is set on the adjacent page. The 2009 From 5498 is also set forth for Mr. John Doe (Age 77) showing boxes 11-12 being completed. ◆

IRA Conversion and IRA Recharacterization— What is the Difference?

There seems to be much confusion concerning IRA conversions and IRA recharacterizations. It seems these terms are used interchangeably throughout the financial industry, when, in fact, they are actually very different events. In the discussion below, we hope to clarify the differences between these confusing transactions.

IRA Conversion —

An IRA conversion contribution is made when funds are distributed from a traditional IRA and put into a Roth IRA for the purpose of receiving the benefit of tax-free distributions (interest and principal) from the Roth IRA. Such Roth distributions must be "qualified" distributions in order for the interest to be distributed tax free. Another reason to make a conversion contribution to a Roth IRA is that there is no age 70½ required distribution as there is with a traditional IRA.

One must be aware that the conversion distribution from the traditional IRA is a taxable event. An individual will receive a 1099-R and will have to pay normal income tax on this traditional IRA distribution for the year in which the funds are received. However, a special rule does apply for 2010 conversions. Once the funds are deposited into the Roth IRA, the earnings accumulate tax free (just as with the traditional IRA), but are never taxed if used for a "qualified" distribution.

Each conversion contribution has a separate five-year holding period which is considered to begin on the first

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Required Distribution Notice for 2010

From: IRA Custodian/Trustee (Name & Address)

Date: January 2010

Telephone Number: ________________________

To: IRA Accountholder (Name & Address)

John Doe

Your Required Distribution Amount for 2010
$ **700.00**

Your deadline to withdraw this amount is:

- [X] **December 31, 2010 (if you attained age 70½ before 2010), or**
- [ ] **April 1, 2011 (if you attain age 70½ during 2010).**

- [ ] If this box is checked, then, as permitted by IRS rules, we have used the Uniform Lifetime Table or the Joint Lives Table, as applicable, to calculate the RMD amount. If this box is not checked, then we have calculated the RMD amount for all IRA accountholders by using the Uniform Lifetime Table even though the Joint Lives Table applies when your spouse is the sole beneficiary of your IRA and he or she is more than ten years younger. In that situation, you are entitled to call us for another calculation which may result in a lower RMD amount.

SPECIAL NOTICE: We will be reporting to the IRS on the 2009 Form 5498 (it is furnished to the IRS in May of 2010) that you, as the IRA owner, are required to receive a required distribution for 2010.

Additional Discussion – See Reverse Side

IRA #62 (Version 2) (609) Whi

2828 ☐ VOID ☐ CORRECTED

TRUSTEE'S or ISSUER'S name, street address, city, state, and ZIP code	1 IRA contributions (other than amounts in boxes 2-4, 8-10, 13a, 14a, and 15a) $	OMB No. 1545-0747 **2009** Form **5498**	**IRA Contribution Information**
	2 Rollover contributions $		
	3 Roth IRA conversion amount $	4 Recharacterized contributions $	**Copy A For Internal Revenue Service Center** File with Form 1096.
TRUSTEE'S or ISSUER'S federal identification no. / PARTICIPANT'S social security number	5 Fair market value of account $	6 Life insurance cost included in box 1 $	
PARTICIPANT'S name **John Doe**	7 IRA ☐ SEP ☐ SIMPLE ☐ Roth IRA ☐		For Privacy Act and Paperwork Reduction Act Notice, see the **2009 General Instructions for Forms 1099, 1098, 3921, 3922, 5498, and W-2G.**
	8 SEP contributions $	9 SIMPLE contributions $	
Street address (including apt. no.)	10 Roth IRA contributions $	11 Check if RMD for 2010 [X]	
	12a RMD date **12/31/2010**	12b RMD amount $**700.00**	
City, state, and ZIP code	13a Postponed contribution $	13b Year / 13c Code	
	14a Repayments $	14b Code	
Account number (see instructions)	15a Other contributions $	15b Code	

Form **5498** Cat. No. 50010C Department of the Treasury - Internal Revenue Service

IRA Conversion, Continued from page 2

day of the individual's tax year (normally January 1) in which the conversion contribution is made. This five-year holding period ends on the last day of the individual's fifth consecutive taxable year (normally 12/31). If funds are distributed prior to the completion of the five-year holding period, a 10% recapture tax will be assessed, unless an exception (such as attaining age 59½) applies.

IRA Recharacterization —

The law permits an individual to treat contributions made to a Roth IRA or traditional IRA as made to the other type of IRA. This is accomplished by means of a trustee-to-trustee transfer or by an internal transfer with the same trustee. <u>There may be many reasons for recharacterizing a contribution, but it is mainly used as a correction mechanism, such as to correct a current-year excess contribution, or to move nondeductible contributions from a traditional IRA to a Roth IRA or to un-do a Roth conversion.</u> The recharacterized contribution is treated on the individual's federal income tax return as having been originally contributed to the second IRA on the same date and for the same taxable year as the original contribution to the first IRA. All earnings are attributed to the second IRA. A recharacterized contribution is not treated as a rollover for purposes of the one-rollover-per-year limitation.

The time frame for performing a recharacterization of a current-year contribution is October 15 of the following year (the tax-filing deadline of 4/15 plus 6 months). An individual who filed their tax return in a timely manner will be able to file an amended return to report the recharacterization.

The net income attributable to the contribution being recharacterized must be transferred to the second IRA. The method used to calculate these earnings is basically the same method used to calculate the earnings associated with an excess contribution to a traditional IRA. There are some minor differences.

A recharacterization is not subject to withholding, as it is not a taxable event. However, it is a reportable transaction, and your institution will need to prepare two 5498s: one to show the original contribution and one to show the recharacterization. A 1099-R will also need to be prepared to report the "deemed" distribution.

In the case of an excess contribution, the excess amount may simply be withdrawn by the individual's tax-filing deadline, plus extensions. However, the reason to choose recharacterization over withdrawal is that under the withdrawal rules, the applicable income must also be withdrawn, normal income tax will be owing, and, if the individual is under age 59½, the 10% early withdrawal penalty will be assessed. By using recharacterization, the transaction is nontaxable, and the interest is allowed to be transferred along with the contribution.

In Summary: It is important that an IRA custodian's personnel be aware of the differences between conversion and recharacterization contributions. Sometimes your accountholders will incorrectly use one term when they mean the other term. In many instances the required reporting is completed incorrectly. Each transaction has very specific rules for completing the 1099-R and 5498. It is in you and your customer's best interest to complete these reporting forms correctly. ◆

Deadline for Qualified Charitable Distributions is December 31, 2009

Here are eight things taxpayers need to know about qualified charitable distributions.

1. The IRA owner must be age 70½ or older.
2. The Maximum amount that an IRA owner may transfer annually tax-free is $100,000 to an eligible organization.
3. This option, created in 2006 and extended through 2009, is available to eligible IRA owners, regardless of whether they itemize their deductions.
4. Distributions from employer-sponsored retirement plans, including SIMPLE IRAs and simplified employee pension plans – commonly referred to as SEP Plans – are <u>not</u> eligible.
5. To qualify, the funds must be contributed directly (i.e. transferred) by the IRA trustee to the eligible charity.
6. Amounts transferred are not taxable and no deduction is available for the amount given to the charity unless nondeductible contributions are transferred.
7. Not all charities are eligible. For example, donor-advised funds and supporting organizations are not eligible recipients.
8. More information about qualified charitable distributions can be found in Publication 590, Individual Retirement Arrangements.

The Pension Digest

Documenting Procedures to Ascertain the Type of IRA an Individual Opens

The period of January 1 through April 15 of each year is the time of year when IRA accountholders (and accountants) come to an IRA custodian/trustee with a story about how their IRA "type" needs to be changed from a traditional IRA to a Roth IRA, or vice versa. In many cases, the IRA custodian/trustee should not make this change. In some cases, it will be possible for the individual and the financial institution to change the type of his or her IRA.

Example. Andrew opened a Roth IRA in January of 2008, for 2007. In January of 2010, he comes into the financial institution and states that the IRA should have been a traditional IRA; he has been taking deductions on his tax return for his contributions. He wants the IRA custodian/trustee to do whatever is necessary so that he has a traditional IRA instead of a Roth IRA. The financial institution serving as the Roth IRA custodian/trustee would need a valid reason or some legal authority to make the requested change. The allowed period for recharacterizing the contribution is long past. The deadline for recharacterizing a 2007 contribution was October 15, 2008.

The financial institution, in this case, was easily able to prove that Andrew had, indeed, opened a Roth IRA. He had completed and signed a Roth IRA plan agreement, and in the note portion of his check he had written, "Roth IRA, 2007." He had done so because the IRA officer had requested that he do so.

It is likely that some individuals will try to blame the IRA custodian/trustee for this type of mistake. Therefore, the best plan of attack is to be certain this situation never arises, or be certain the financial institution has adequate proof of the type of IRA opened. A financial institution must have excellent procedures in place to document exactly which type of IRA an individual is opening. CWF's primary recommendation is to thoroughly discuss the differences between Roth and traditional IRAs to make certain the individual understands the various rules and tax advantages. Next, be certain to have the individual sign the appropriate plan application, and provide them with the plan agreement booklet. As additional documentation, have the individual write the year for which the contribution was made and the type of IRA in the "note" portion of their check. You could also recommend that after opening the account, the individual discuss the IRA with their tax advisor to make certain they are eligible to open the IRA and to discuss the tax issues. You will want to remind them that there are time limits which must be met if they decide they need to recharacterize the contribution. ◆

Nondeductible Contribution = Roth Contribution

Question: When is the making of a nondeductible traditional IRA contribution the equivalent of making a Roth IRA contribution?

Answer: When an individual immediately converts the traditional IRA contribution to a Roth IRA via a Roth conversion contribution.

In order to illustrate the above situation, let's review a typical situation. Ann (age 46) has modified adjusted gross income (MAGI) of $130,000 in 2009; she is a participant in her company's 401(k) plan. She expects that her 2010 modified gross income will be very similar to 2010's. Ann is not married. Because of her income, she is ineligible to make a $5,000 contribution to a Roth IRA for 2009 and/or 2010. However, she will be eligible to contribute the maximum allowed contribution (i.e. $5,000) to a traditional IRA as a nondeductible contribution. It is assumed that Ann did not have any traditional IRA funds prior to contributing $5,000 for both 2009 and 2010.

After making the two contributions to a traditional IRA on January 5, 2010, Ann can immediately convert the contributions to be Roth IRA funds. Since she only has basis within her traditional IRA, she will not include in income or pay any taxes with respect to converting the $10,000. This is the equivalent of making two annual Roth IRA contributions. ◆

The Very Limited Interplay Between QCD Rules and RMD Rules.

Required minimum distributions (RMDs) return for 2010, but qualified charitable distribution (QCDs) will be unavailable in 2010. RMDs result in increased tax revenues whereas tax revenues decrease when QCDs are able to be made since no taxes are paid with respect to QCDs. The Democrats do not appear to be willing to extend the qualified charitable distribution rules past December 31, 2009.

The purpose of this article is to illustrate the need in some situations to properly coordinate one's qualified charitable distribution with the RMD rules and the standard tax rules. These are two special types of distributions, each with its own set of rules.

Illustration. John Doe was born on May 10, 1938. He had a very sizable IRA arising from large rollovers from a 401(k) plan. He was first subject to the RMD rules for 2008 since he attained age 70½ on November 10, 2008. April 1, 2009 was his required beginning date. His RMD for 2008 was $84,000. On March 13, 2009, he made a charitable contribution distribution of $100,000 to his alma mater, the University of Wisconsin. The tax rules allow him to use this $100,000 to satisfy his RMD requirement for 2008. However, it is now December of 2009 and he wants to give $100,000 to his wife's alma mater, the University of Iowa. He wants to do this before December 31, 2009. He understands that there are no RMDs for 2009. If $100,000 is transferred from his IRA to the University of Iowa, will it be tax-free since it satisfies the rules applying to qualified charitable distributions?

No, it will not qualify as a QCD. There is a $100,000 annual limit applying to qualified charitable distributions. He will have made $200,000 of distributions. He would be required to include $100,000 in his 2009 income. He may or may not be able to claim a deduction with respect to the $100,000 given to the University of Iowa. It does not matter that the QCD he made on March 13, 2009 was used with respect to his 2008 RMD amount. The tax rule is well settled that a person who waits to take his first RMD in the following year will have to include two distributions (i.e. the RMD for 2008 and the RMD for 2009) in income for 2009.

The QCD rules and the RMD rules are two different tax rules. They are related in the sense that the QCD rules do allow a taxpayer to be able to use his or her QCD to satisfy his or her RMD for a given year. However, that is the extent of the relationship. The $100,000 limit is not impacted in any way by the RMD rules. The $100,000 limit is not increased or decreased because a person has one or more RMDs. The fact that John Doe used the $100,000 withdrawn on March 13, 2009 to satisfy his 2008 RMD does not mean that $100,000 is assigned to 2008 for purposes of applying the $100,000 limit. This $100,000 was transferred in 2009. Any further distribution in 2009 will exceed the $100,000 limit and will not qualify as a QCD.

One can understand why a person might conclude that the $100,000 limit is related to the "RMD year" rather than a "calendar year", but the tax laws do not support the "RMD year" approach. The IRS instructions do not do a very good job of explaining that the QCD rules are based on the calendar year. But the IRS has made clear that a QCD for a given tax year must be made by December 31 of that tax year. The only way to gain the maximum benefit of the QCD rules is to NOT use the RMD deferral rule.

In summary, the rules applying to qualified charitable distributions and required distributions are different. There is one situation where they are interrelated. That is, a person is allowed to use his or her QCD to satisfy his or her RMD. Although the RMD rules grant an IRA accountholder attaining age 70½, an extended period in which he or she may take his or her first RMD, this rule does not mean that a person's QCD is also deemed to have been made in the prior year. The IRA laws clearly authorize the concept of "carryback contributions". There are no tax laws authorizing the concept of carryback distributions whether for purposes of determining the year when the distribution is included in income or whether the $100,000 QCD limit is satisfied.

Political winds change. The charitable industry will certainly try to regain the right for IRA accountholders to be able to gift IRA funds (otherwise taxable) to a charity on a tax-free basis. From 2006-2009 there has been a $100,000 limit. The charitable industry, of course, would like to see no limit. There will be no QCDs in 2010 or future years unless there would be new legislation. ◆

Compensation Limits & SIMPLE-IRAs

The SIMPLE-IRA rules either require an employer to make a matching contribution equal to an employee's compensation multiplied by 3% (in some situations, 1% or 2% is permissible, and there are limits as discussed below which apply) or a nonelective contribution equal to an employee's compensation multiplied by 2%.

Note that the 2% nonelective contribution must be made on behalf of all eligible employees. The law expressly provides that compensation for this purpose is limited to $200,000 as indexed by a cost of living adjustment factor. For 2009 and 2010 this adjusted amount is $245,000. The effect of this limit is that the QNEC for any person earning $245,000 or more is restricted to $4,900 (2% x $245,000). Such a rule, in effect, discriminates against the highly-compensated employees.

The matching contribution is only made to those employees who make salary-reduction contributions. The law does NOT provide an express limit on compensation for purposes of applying the rules which apply to an employer making a matching contribution.

The employer's matching contribution is the lesser of: (1) the statutory limit which applies to the person; or (2) the amount of the salary reduction contribution made by the employee. In addition, the employer's matching contribution percentage is limited to being the employee's salary reduction percentage.

The statutory salary reduction limit has changed over the past few years due to the COLA adjustment and may well change in the future.

	Under Age 50	Age 50 and Older
2000	$6,000	$6,000
2001	$6,500	$6,500
2002	$7,000	$7,500
2003	$8,000	$9,000
2004	$9,000	$10,500
2005	$10,000	$12,000
2006	$10,000	$12,500
2007	$10,500	$13,000
2008	$10,500	$13,000
2009	$11,500	$14,000
2010	$11,500	$14,000

The following examples illustrate these rules/limits.

Example #1. Laura is a SIMPLE-IRA participate. She is 53. Her compensation for 2009 is $60,000. Her employer set the matching contribution at 3%. Laura makes a salary-reduction contribution of $12,000. She does not make the maximum salary reduction contribution of $14,000. Her salary reduction contribution percentage is 20% ($12,000/ $60,000). The matching contribution which her employer must make is $1,800 ($60,000 x 3%) since this is less than the statutory amount of $14,000 or the amount she deferred of $12,000.

Example #2. Kelly is a SIMPLE-IRA participant. She is 53. Her compensation for 2009 is $60,000. Her employer set the matching contribution at 3%. Kelly makes a salary reduction contribution of $1,500. The matching contribution which her employer must make is the lesser of the three. This is the percentage or amount she deferred ($1,500). The employer is not required to match at 3% since her deferral percentage was less. Her salary reduction percentage was only 2.5% of her compensation ($1,500/$60,000).

Example #3. Cheryl is a SIMPLE-IRA participant. She is 53. Her compensation for 2009 is $700,000. Her employer set the matching contribution at 3%. Laura makes a salary reduction contribution of $14,000. Her salary reduction contribution percentage is 2% ($14,000/ $700,000). The matching contribution which her employer must make is $14,000 (2% x $700,000.00) since this is the lesser of the three.

Conclusion. Since 2000, the COLA adjustment applying to the SIMPLE-IRA elective deferral limit and the catch-up limit has resulted in substantial increases in the maximum elective deferral limits. For someone younger than age 50, the limit has increased from $6,000 to $11,500, a 92% increase. For someone age 50 or older, the limit has increased from $6,000 to $14,000, a 133% increase.

An employer wanting to maximize contributions for its highly compensated employees will **NOT** want to make the 2% nonelective contributions. An employer will want to make matching contributions because there is no compensation limit applying when an employer makes a matching contribution. ◆

Exceptions for the 10% Tax

CWF has prepared the following chart to make it easier for you to understand the numerous exceptions to the 10% additional tax rule. The general rule is that a recipient of a distribution before age 59½ will owe an additional 10% tax. The law is written to penalize individuals who withdraw funds from an IRA or pension plan and use it for reasons other than retirement. The individual will also include this distribution in his or her gross income and pay tax at the marginal tax rate which applies to him or her. What makes the 10% subject confusing is that in some instances there are rules applying to IRA distributions, but not QP distributions, and vice versa. Some observations.

1. The first-time home buyer exception applies to IRA distributions It does not apply to distributions from 401(k) plans. The 10% tax will be owed if a 401(k) participant takes a distribution from a 401(k) plan to purchase a house.

2. In some situations, a person does NOT want to directly roll over his or her entire 401(k) account. Rather, a person will want to instruct the plan administrator to distribute a certain amount of cash and to directly roll over the remainder. For example, one of your customers, Thomas Juergens, is going through a divorce. His wife has a 401(k) plan and the court order rules he is entitled to $30,000 of her 401(k). He is entitled to a direct rollover to an IRA, if he so chooses. Thomas would like to receive $5,000 in cash to pay off some debts. He would like to roll over the remainder. Thomas has two options. Option #1 is to directly roll over the $30,000 to an IRA and then withdraw the $5,000 from the IRA. Since the withdrawal has come from the IRA, he will owe the 10% additional tax, or $500 ($5,000 x 10%). Option #2 is to instruct the 401(k) plan to pay him $5,000 (less 20% withholding) and to directly roll over the remaining $25,000. Since the distribution is from the 401(k) plan, he will NOT owe the additional 10% tax. Obviously, in this situation, Thomas would want to use Option #2 if he understood the rules. A similar type situation exists when a person is a participant in a pension plan and separates from service after attaining age 55. Any funds withdrawn from the pension plan will escape the 10% tax whereas if the participant directly rolls over all of his or her funds to an IRA and then takes a distribution he or she will owe the 10% additional tax.

3. Every distribution to a beneficiary escapes the 10% additional tax. A spouse who has elected to treat a deceased spouse's IRA as his or her own IRA or has rolled over the deceased spouse's QP balance to an IRA is no longer a "beneficiary." Any distribution from his or her IRA will be assessed the 10% additional tax unless "another" exception would apply.

4. There is no exception to the 10% tax just because the distribution is on account of a "hardship." The hardship rules may allow a 401(k) participant to receive a distribution, but the person will owe the additional 10% tax.

5. There is no exception to the 10% tax just because the employer terminates the 401(k) or other pension plan.

Description of Distribution Reason	Does Exception Apply for an IRA Distribution	Does Exception Apply for a Distribution from a QRP
1. Made to IRA accountholder or QRP participant who is age 59½ or older	Yes	Yes
2. Made to a beneficiary or estate on account of the IRA accountholder's or QRP participant's death.	Yes	Yes
3. Made to IRA accountholder or QRP participant on account of disability.	Yes	Yes
4. Due to an IRS levy	Yes	Yes
5. Made for the IRA accountholder or QRP participant's (and dependent's) — not in excess of unreimbursed medical expenses that are more than 7.5% of the person's AGI.	Yes	Yes
6. Made as part of a series of substantially equal period payments over your life or life expectancy. ** If from a QRP, the participant must separate from service before the payouts begin*	Yes	Yes*
7. Roth Conversion	Yes	Yes
8. Certain military reservist distributions. **Applies only to elective deferrals.*	Yes	Yes*
9. Certain disaster area distributions	Yes	Yes
10. Distributions made to the participant after separated from service, if the separation occurred in or after the year he or she reached age 55. **However age 50 applies to qualified public safety employees in governmental plans.*	No	Yes*
11. Distributions made to an alternate payee under a qualified domestic relations order.	No	Yes
12. Distributions of dividends from employee stock ownership plans.	No	Yes
13. Qualified higher education expenses.	Yes	No
14. Distributions made to pay for a first-time home purchase.	Yes	No
15. Distributions made to pay health insurance premiums if you are unemployed.	Yes	No
16. Qualified HSA Funding Distribution	Yes	No