THE Pension Digest

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ALSO IN THIS ISSUE –

IRS Issues 2011 Indexed Amounts for HSAs no Changes Versus 2010

The contribution limits for 2011 will be the same as the 2010 limits. The Treasury Department and Internal Revenue Service issued new guidance on the maximum contribution levels for Health Savings Accounts (HSAs) and out-of-pocket spending and deductible limits for High Deductible Health Plans (HDHPs) that must be used in conjunction with HSAs. The 2011 limits are set forth in Revenue Procedure 2010-22. These limits have not changed because changes in the Consumer Price Index for the relevant period did not result in any changes for 2011 under the statutory formula.

High Deductible Health Plans

	Minimum Annual Deductible		Maximum Annual Out-of-Pocket Expenses	
	2010	**2011**	**2010**	**2011**
Single Coverage	$1,200	$1,200	$5,950	$5,950
Family Coverage	$2,400	$2,400	$11,900	$11,900

Maximum Contribution Limits

	2010	**2011**
Single HDHP	$3,050	$3,050
Family HDHP	$6,150	$6,150

HSA Catch-Up Contributions

	2010	**2011**
Age 55 and Older	$1,000	$1,000

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

The Future of HSAs

2009 was a good year for HSAs. Whether or not 2010 will be a good year for HSAs is unknown. A recent study by America's Health Insurance Plans reported 10 million individuals (8 million under group plans and 2 million under individual plans) are now covered by HSA/HDHPs as of January 2010 up from 8 million. A 25% growth rate. Their growth continues because employers and individuals are looking to control health insurance costs.

President Obama signed into law the new health laws in January, 2010. The laws authorizing HSAs were not repealed when the new health laws were enacted. The Democrats could have chosen to repeal HSAs. Since every vote was needed, the Democrats did not adopt this course of action. Consequently, HSAs continue to exist and should do so with only minimal changes until 2014.

The basic new law concept: a person must be covered by a certain type of health plan (one providing "minimum essential coverage") and if he or she is not so covered, then the person will generally be required to pay a special penalty tax. This penalty tax is relatively minor for 2014-2015, but becomes a fairly substantial tax in 2016-2017. It is unknown at this time whether the federal administration will try to accommodate HSA owners so they will be able to maintain their HSA/HDHP approach or whether the federal administration will conclude that the HSA/HDHP approach does not qualify as providing "minimum essential coverage."

An individual who is no longer eligible to make HSA contributions because he or she is no longer covered by a HDHP is still able to maintain his or her HSA. Withdrawals used to pay qualified medical expenses will be tax-free and an individual may use his or her HSA to accumulate earnings on a tax-deferred basis just as is done with a traditional IRA.

As with many things, the political developments of the next 1-6 years will determine the long-term future of HSAs. There may be a turnover either in the Congress or the presidency during 2010-2017. The Supreme Court may rule that portions of this health law are unconstitutional. The U.S. constitution is not clear that the federal government can mandate an individual to purchase health insurance or any other product based on the interstate commerce clause.

2010-2013 HSA Law Changes

An HSA owner owes a 10% tax if a nonqualified (i.e nonmedical) HSA distribution is taken during 2010 by the HSA account owner prior to attaining age 65 and he or she is not disabled. This tax increases to 20% for such distributions occurring on or after January 1, 2011.

Under current law, it is possible in 2010 for an HSA owner to use HSA funds to purchase certain non-prescribed medicines (over-the-counter). A distribution occurring on or after January 1, 2011 will be a qualified distribution only if a doctor has prescribed the medicine.

Under existing law, an individual is generally ineligible to contribute to an HSA if he or she participates in a flexible spending arrangement (i.e. a cafeteria plan). Many employers have cafeteria plans with a flexible spending arrangement. There has been no express tax limit as to the amount of funds eligible to be contributed to a flexible spending arrangement for medical purposes. For 2013, this new law imposes an annual contribution limit of $2,500.00. There is no such limit for HSA contributions and HSAs are not subject to the use it or lose it rule. This change may induce employers to no longer make the health benefit available under a flexible spending arrangement, but to replace it with an HSA/HDHP option.

2014

This is the first year a penalty health tax may be imposed on individuals who are not covered by a qualified health plan. An individual may owe the tax with respect to himself or herself and also any dependents. That is, if a child dependent does not have the required health insurance, the parent will be required to pay the penalty tax.

The penalty tax is $95 in 2014 on a per responsible person basis. This tax is capped at the greater of: (i) 3 times $95 or $285 or (ii) 1.0% of the household income. However, if the individual is under the age of 18 or is a college student, the penalty tax is $47.50 rather than $95. Although this tax is expressed in annual terms, in actuality the individual owes a tax equal to 1/12 of the annual amount for each month the required coverage is

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not maintained. However, there is a special rule which provides the tax is not owed if an individual was without coverage for less than 3 months.

2015

This is the second year the penalty health tax may be imposed on individuals who are not covered by a qualified health plan.

The penalty tax is $325 in 2015 on a per person basis. However, this tax is capped at the greater of: (i) 3 times $325 or $975 or (ii) 2.0% of the person's household income. However, if the individual is under the age of 18 or is a college student, the penalty tax is $162.50 rather than $325.

2016

This is the third year the penalty tax may be imposed on individuals who are not covered by a qualified health plan.

The penalty tax is $695 in 2016 on a per person basis. This tax is capped at the greater of: (i) 3 times $695 or $2,085 or (ii) 2.5% of the household income. However, if the individual is under the age of 18 or is a college student, the penalty tax is $347.50 rather than $695. The $695 tax will be adjusted annually by the cost-of-living adjustment.

Household Income

In many cases, the health penalty tax a person will pay is based on his or her household income. The law has been written to make sure a person's household income is high and therefore more taxes will need to be paid. The clear intent is to induce individuals to retain the minimum essential health insurance coverage.

An individual's "household income" is defined to be the sum of his or her modified adjusted gross income and the modified adjusted gross incomes of certain family members as long as they were required to file a tax return for the year. Modified adjusted gross income means gross income as reduced by only four of the many items which are deducted in determining one's adjusted gross income as increased by tax-free interest income. The four permitted deductions are for trade and business deductions, losses from sale or exchange of property, deductions attributable to rents and royalties, and alimony. This means a person's household income for purpose of calculating the amount of health tax owing will not be reduced by the following: educator expenses, HSA contributions, IRA contributions, self-employed Keogh, SEP and SIMPLE contributions, one half of self-employment tax deduction, self-employed health insurance deduction, penalty on early withdrawal of savings, student loan interest deduction, tuition and fees deduction, moving expenses, and certain trade and business deductions of employees. The income of citizens or U.S. residents living abroad is excluded.

Individuals Not Required to Have a Qualifying Health Plan

1. Those meeting the requirement for a religious exemption;
2. Individuals not lawfully present in the U.S. (i.e. illegal aliens); and
3. Incarcerated Individuals.

Individuals Exempt from the Health Penalty Tax

1. Individuals who cannot afford coverage. This occurs when a person's required contribution exceeds 8% of such person's household income as increased by any elective deferrals;
2. Members of Indian Tribes;
3. Financial Hardship;
4. Those with incomes below the tax filing threshold;
5. Those without coverage for less than 3 months; and
6. U.S. citizens living abroad for the entire year.

In summary, HSAs still exist. It will be 3-5 years before HSAs are impacted greatly by the new health laws. It is unknown at this time whether the federal administration will try to accommodate HSA owners and they will be able to maintain their HSA/HDHP approach or whether the federal administration will conclude that the HSA/HDHP approach does not qualify as providing "minimum essential coverage." In the later case, a person would have to decide if he or she is willing and able to pay health penalty tax in order to retain the HSA/HDHP approach. The tax is quite modest for 2014 as it is the greater of: $95 for 1.0% of household income. In 2015, the tax is the greater of $325 or 2.0% of household income. In 2016 the tax is the greater of $675 or 2.5% of household income. It may well be that the tax deduction provided by the HSA deductions would still make the HSA/HDHP approach attractive notwithstanding the requirement to pay the health plan tax. We foresee some people making this decision. CWF will keep you informed as more is learned as to how the January 2010 health and tax legislation will impact HSAs. ◆

Separate Roth IRA Plan Agreements When Doing Roth IRA Conversions Are Highly Recommended

1998 was the first year for regular Roth IRA contributions and for Roth IRA conversion contributions. At first, the Roth IRA tax rules were written to require that for tax-free distribution purposes, the Roth IRA accountholder had to meet a separate 5-year requirement for annual contributions versus conversion contributions. In mid 1998 a tax law was enacted providing that a person would for taxation of income purposes only have one 5-year period regardless of whether the Roth IRA contribution was a conversion contribution or an annual contribution. This law change did away with the individual's need to have separate Roth IRA plan agreements.

However, the IRS created a new reason why a separate Roth IRA plan agreement needs to be executed when it adopted its final regulation covering recharacterizations of Roth IRA contributions. This regulation was adopted in 1998. This article discusses the rules and limits applying to Roth IRA Conversions, the recharacterizations of such conversion contributions and then the reconversion of such contributions.

Many traditional IRA accountholders have, are, and will be converting traditional IRA funds to Roth IRA funds. The special 2010 tax rules were intended to induce individuals to make such conversions.

Individuals (and their tax advisors) will want to plan for the possible recharacterization of one or more 2010 Roth IRA conversion contributions during 2010.

Illustration. Jane Doe has three traditional IRAs totaling $160,000. She also has one Roth IRA with a balance of $32,000. The $32,000 is invested in an insurance annuity paying a fixed interest rate of 3% until 12-31-2012. She converts $80,000 from one of her traditional IRAs on February 14, 2010. This $80,000 had been invested in a time deposit paying 4.25%. It has just matured. The new interest rate offered to her is .70%. She decides she needs to have earnings so she makes her $80,000 Roth IRA conversion to her existing Roth IRA.

This Roth IRA is a self-directed Roth IRA. She invests the $80,000 conversion amount as follows: $20,000 into mutual fund ABC; $20,000 into Mutual fund DEF; $20,000 into a moderately aggressive international fund; and $20,000 into a corporate bond mutual fund. The taxable amount of any Roth IRA conversion is the fair market value of the assets distributed or deemed distributed to the individual at the time of the deemed distribution. Jane Doe is normally a taxpayer whose income is subject to the 25% marginal income tax rate. Her tentative tax liability is $20,000.

What options are available to her when she converts the $80,000?

She may either add the $80,000 to her existing Roth IRA or she may set up four new Roth IRAs to go with her existing Roth IRA. For the reasons discussed below, in most situations she would want to set up four new Roth IRAs as this will maximize her planning capabilities with respect to her Roth IRA conversion contributions.

Before discussing these options, let's discuss the basic rules applying to Roth IRA conversion contributions, the recharacterization of such conversions and then the reconversion of such traditional IRA funds.

Two Limits Apply to Roth IRA Conversion Contributions.

Limit #1. A person may only convert the total amount in his or her traditional IRAs as of such day. He or she can convert no more than the total value of all of his or her traditional IRA accounts. There is no rule limiting a person to only one conversion per traditional IRA plan agreement. A person could make daily IRA conversions if he so desired and he could find a Roth IRA custodian(s) willing to accommodate him.

Limit #2. If a person recharacterizes a conversion contribution, then he or she is ineligible to reconvert (i.e. convert again) those funds or dollars until the later of – January 1 of the following year or the day which is 30 days after the date of the recharacterization. It is impossible in the same calendar/tax year to convert certain traditional IRA funds, recharacterize that conversion contribution and then reconvert those same traditional IRA funds again.

If the recharacterization occurred on May 21, 2010, then she must wait until January 1, 2011 or later to reconvert these same funds or dollars. The special two-year tax

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rule does not apply to conversions taking place in 2011. It only applies to conversions made in 2010.

The Rules and Limits Applying to Recharacterizations.

The effect of a recharacterization of a conversion contribution is to undo it. The legal fiction is – the conversion never occurred. This means if there were any earning or losses realized while the conversion funds or assets are within the Roth IRA such earnings or losses will need to be transferred to the traditional IRA. A more detailed discussion below explains the rules for calculating the earnings of losses. When a recharacterization of a Roth IRA conversion contribution is made, there are two transactions – the recharacterization withdrawal from the Roth IRA and a recharacterization contribution to the traditional IRA.

There are some important limits on recharacterizations which the IRA accountholder (and his or her advisor) will need to take into account. These are discussed below. There is one special rule, however, allowing for excellent planning opportunities. The governing Roth IRA regulation provides that recharacterization rules apply on a per Roth IRA plan agreement basis. These recharacterization rules do apply on an investment, class of investment, account or sub-account basis. <u>Individuals and Roth IRA custodians will need to take the extra effort to set up separate and multiple Roth IRA plan agreements if an individual wishes to retain planning options with respect to their conversion contributions.</u> An individual should be willing to pay a reasonable fee to have these separate Roth IRA plan agreements. There may be some who try to argue that separate accounting accounts will be sufficient and that separate Roth IRA plan agreements are not needed to maximize the tax benefits associated with one or more conversions. It is better to be safe than sorry. The person wants separate Roth IRA plan agreements for each type of fund or asset which he or she might wish to recharacterize. This is true because of the allocation of earnings and losses applying to the recharacterized contribution.

The rules and limits applying to recharacterizing a Roth IRA conversion contribution are explained below.

1. A recharacterization is irrevocable. Note a person is allowed to undo his conversion contribution by doing a recharacterization. A person is not allowed to undo his recharacterization by doing another conversion.
2. The maximum amount a person may recharacterize is the total amount in his or her Roth IRAs attributable to a specific conversion contribution. There is no minimum amount which must be recharacterized. There is no rule limiting a person to only one recharacterization per conversion per Roth IRA plan agreement. A person could make daily recharacterizations if he so desired and he could find a traditional IRA custodian(s) willing to accommodate him.
3. The recharacterization distribution/contribution may occur via an in-kind distribution of a non-cash asset from the Roth IRA containing the conversion contribution or it may be done with cash or a combination of both.
4. The income or loss associated with the amount of the conversion contribution must also be recharacterized. The IRS has issued a final regulation setting forth the rules to be applied in calculating the pro rata income (or loss) associated with the conversion amount being recharacterized. The general concept is: determine the earnings or losses realized by the Roth IRA during the computation period (immediately before the conversion contribution was made and immediately before the recharacterization withdrawal was made) and allocate a pro rata portion of such earnings (or loss) to the recharacterization amount being withdrawn. The IRS formula is: net income = contribution x (adjusted closing balance – adjusted opening balance)/adjusted opening balance.

Adjusted closing balance is the fair market value of the Roth IRA immediately prior to the time of the recharacterization withdrawal as adjusted for any other "distributions" which occurred during the computation period. Such distributions would be general distributions, transfers and any other recharacterization withdrawals.

Adjusted opening balance is the fair market value of the Roth IRA immediately prior to the time of the conversion contribution as adjusted for any other "contributions" which occurred during the computation period. Such contributions would be general contributions, transfers and any other conversion contributions.

The formula does not need to be used if the conversion contribution is the only contribution which has been

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made to the Roth IRA and the entire amount is being recharacterized.

The formula must be used if there are other funds in the Roth IRA other than the conversion contribution. That is, there have been other contributions made to the Roth IRA. The formula must also be used if the entire conversion contribution is not recharacterized.

Additional discussion of the Jane Doe situation.

One of her options was to add the $80,000 conversion to her existing Roth IRA. The combined balance would be $112,000. There is only one Roth IRA plan agreement with 4 sub-accounts. On May 21, 2010 these investments have the following values: $24,000 for mutual fund ABC; $22,000 for Mutual fund DEF; $8,000 into a moderately aggressive international fund; $14,000 into a corporate bond mutual fund and the Roth IRA annuity with a value of $32,160. The value of the conversion assets has decreased to $68,000 from $80,000. The value of the total assets have decreased from $112,000 to $100,160.

If she recharacterizes her $80,000 conversion, she will no longer owe the anticipated $20,000 tax liability for the conversion. The actual amount to be recharacterized to the traditional IRA is $68,050. This means she must withdraw assets equal to a value of $68,050. These could be any of the assets in the Roth IRA. There is no requirement to withdraw the assets which were bought with the conversion funds. For example, she could withdraw the annuity policy with a value of $32,160, the $24,000 for mutual fund ABC and $11,890 from the corporate bond mutual fund for a total of $68,050. Note that a good portion of the investment loss was allocated pro rata to the annuity investment. The total of earnings/losses are allocated to all of the assets on a pro rata basis. Earnings/losses are <u>not</u> allocated on a specific asset basis.

In Jane Doe's situation, she probably would like to recharacterize only the assets which have decreased substantially in value. This is impossible to do when there are other assets in the same Roth IRA. However, if she had set up a separate Roth IRA for each investment, then she could do two recharacterizations of $20,000 each with respect to the moderately aggressive international fund and the corporate bond mutual fund. These funds now have values of $8,000 and $14,000 respectively. By doing these two conversions, she will increase the taxable distributions to be $40,000 rather than $80,000 and her tentative tax liability will be $10,000 rather than $20,000.

A reconversion is a conversion of a conversion amount which was previously recharacterized. As mentioned previously, there is a time limit requirement which must be met. If a person recharacterizes a conversion contribution, then he or she is ineligible to reconvert (i.e. convert again) those funds or dollars until the later of January 1 of the following year or the day which is 30 days after the date of the recharacterization. It is impossible in the same calendar/tax year to convert certain traditional IRA funds, recharacterize that conversion contribution and then reconvert those same traditional IRA funds again.◆

Were You and Your HSA Owners Confused by Box 2 on the 2009 Form 5498-SA?

Quite a few HSA custodians have called us about completing the 2009 Form 5498-SA. Specifically, they have had questions regarding completing Box 2. If HSA custodians have questions, one can expect that HSA owners will have similar questions. Here is what we understand.

Set forth on page 8 is the 2008 and 2009 Forms 5498-SA. The 5498-SA form is similar to the 5498 form for IRAs, but there are important differences. The 2009 Form 5498 is also set forth.

What are the main differences and why did the IRS design the 5498-SA with these differences?

On the 2009 Form 5498 (IRA), Box 1 is used to report the individual's traditional IRA contributions made for 2009. These IRA contributions could have been made from January 1, 2009 to April 15, 2010. Note that the IRS does not know when those 2009 contributions were made. Were they made in 2009 or 2010? The IRS is unable to determine if the contribution was made during the calendar year (2009) or during the carryback period in 2010 for 2009.

Similarly, on the 2009 Form 5498, Box 10 is used to report the individual's Roth IRA contributions made for 2009. These could have been made from January 1, 2009 to April 15, 2010. Again, the IRS is unable to determine whether these 2009 contributions were made during 2009 or during the carryback period.

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Confused by Box 2,
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A person who has made both traditional and Roth IRA contributions for 2009 must receive two 2009 Form 5498s.

The main difference between the HSA and IRA 5498 form is that on the Form 5498-SA there are two boxes used to report HSA contributions versus the one box approach for IRAs (Form 5498).

On the 2009 Form 5498-SA, Box 2 is to be completed with HSA contributions made **IN 2009** regardless of whether the contribution(s) were made for 2008 and/or 2009. For example, a person age 57 who contributed $3,800 to his or her HSA on March 10, 2009 for 2008 and who contributed $4,000 on December 15, 2009 for 2009 would have Box 2 completed with $7,800.

On the 2009 Form 5498-SA, Box 3 is to be completed with HSA contributions made in 2010 for the 2009 tax year.

Why two boxes?

Apparently, the IRS wanted a method of reporting HSA contributions which would allow the IRS to determine what amounts were contributed during the calendar year and what amounts were contributed during the carryback period. The carryback contributions for 2009 are reported in Box 3 of the 5498-SA. The contributions for 2009 made during 2009 are easily determined by subtracting the amount in Box 3 on the 2008 Form 5498 (carryback contributions for 2008 made in 2009) from the amount in Box 2 on the 2009 Form 5498-SA.

Note that the “carryback” contributions are reported twice to the IRS, first in Box 3 and then in Box 2 of the following year.

One wonders if the IRS some day may decide to install this two box approach for reporting traditional and Roth IRA contributions.

We also wonder if the IRS has been surprised like CWF has been that relatively few HSA contributions are made during the carryback contribution period. In fact, many HSA custodians are completing Box 3 with 0.00 because there were no carryback contributions made in 2010 for 2009.

Excess IRA and HSA Contributions.

The IRS expects the IRA custodian to monitor contributions both to traditional IRAs and Roth IRAs to see if an excess contribution has been made. The IRS expects the IRA custodian to know which contribution limit applies to a particular accountholder. That is, a person under age 50 is eligible to contribute a maximum of $5,000 and a person age 50 and older is eligible to contribute a maximum of $6,000. Any amounts in Boxes 1 and 10 in excess of the $5,000/$6,000 limits inform the IRS that an excess contribution was made by the individual. If the excess contribution has not already been corrected, it should be corrected as soon as possible.

The IRS also expects the HSA custodian to monitor excess HSA contributions. The IRS has clearly stated that the HSA custodian has the duty to monitor the “family” contribution limit (i.e. $5,950 for 2009 and $6,150 for 2010) and the additional $1,000 catch-up amount, if applicable). The HSA custodian is not required to monitor the single contribution limit.

There is no doubt the IRS’ approach of using Box 2 and Box 3 to report HSA contributions has diminished the IRS’ ability to look at these boxes and determine whether or not the HSA owner has made an excess HSA contribution. For example, an HSA owner, age 58, with family coverage could have made a maximum contribution of $6,800 ($5,800 + $1,000) for 2008 and 6,950 ($5,950 + $1,000) for 2009. The maximum total for Box 2 on the 2009 Form 5498-SA is $13,750. Any amount in excess of $13,750 would indicate an excess HSA contribution had been made for at least one year. The maximum total for the amounts in Box 2 and Box 3 would also be $13,750.

In summary, the IRS has adopted a different approach for reporting HSA contributions than for reporting IRA contributions. Box 2 of the 2009 Form 5498-SA is used to report the total contributions made during 2009. This total may include the carryback contributions for 2008 made in 2009 as well as those contributions made in 2009 for 2009. It is not totally clear why the “carryback” contributions are reported twice to the IRS (first in Box 3 and then in Box 2 the following year), but they are.

An HSA custodian should be prepared for possible HSA owner questions on the completing of Box 2 on the 2009 Form 5498-SA. Some HSA owners may initially believe that Box 2 has been prepared incorrectly because they do not understand that Box 2 reports both 2008 and 2009 contributions made in 2009. ◆

2727 ☐ VOID ☐ CORRECTED

TRUSTEE'S name, street address, city, state, and ZIP code	1 Employee or self-employed person's Archer MSA contributions made in 2008 and 2009 for 2008 $ 2 Total contributions made in 2008 $	OMB No. 1545-1518 2008 Form 5498-SA	HSA, Archer MSA, or Medicare Advantage MSA Information
TRUSTEE'S federal identification number / PARTICIPANT'S social security number	3 Total HSA or Archer MSA contributions made in 2009 for 2008 $		Copy A For Internal Revenue Service Center File with Form 1096. For Privacy Act and Paperwork Reduction Act Notice, see the 2008 General Instructions for Forms 1099, 1098, 5498, and W-2G.
PARTICIPANT'S name	4 Rollover contributions $	5 Fair market value of HSA, Archer MSA, or MA MSA $	
Street address (including apt. no.) City, state, and ZIP code	6 HSA ☐ Archer MSA ☐ MA MSA ☐		
Account number (see instructions)			

Form 5498-SA Cat. No. 38467V Department of the Treasury - Internal Revenue Service

2727 ☐ VOID ☐ CORRECTED

TRUSTEE'S name, street address, city, state, and ZIP code	1 Employee or self-employed person's Archer MSA contributions made in 2009 and 2010 for 2009 $ 2 Total contributions made in 2009 $	OMB No. 1545-1518 2009 Form 5498-SA	HSA, Archer MSA, or Medicare Advantage MSA Information
TRUSTEE'S federal identification number / PARTICIPANT'S social security number	3 Total HSA or Archer MSA contributions made in 2010 for 2009 $		Copy A For Internal Revenue Service Center File with Form 1096. For Privacy Act and Paperwork Reduction Act Notice, see the 2009 General Instructions for Forms 1099, 1098, 3921, 3922, 5498, and W-2G.
PARTICIPANT'S name	4 Rollover contributions $	5 Fair market value of HSA, Archer MSA, or MA MSA $	
Street address (including apt. no.) City, state, and ZIP code	6 HSA ☐ Archer MSA ☐ MA MSA ☐		
Account number (see instructions)			

Form 5498-SA Cat. No. 38467V Department of the Treasury - Internal Revenue Service

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) $ 2 Rollover contributions $	OMB No. 1545-0747 2009 Form 5498	IRA Contribution Information
	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	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 ☐	
	12a RMD date	12b RMD amount $	
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