April 2021
Published Since 1984

The Pension Digest

ALSO IN THIS ISSUE –

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

CWF Asks IRS to Issue Guidance Regarding Publication 590-B Mistakes or No Mistakes

We at CWF asked the IRS last week to issue guidance on whether or not the 2020 version of Publication 590-B needs to be corrected regarding the time period certain beneficiaries have to close an inherited IRA. Under the SECURE Act many beneficiaries are now required to close an inherited IRA using a new 10-year rule. Many people have read the SECURE Act as requiring the 10-year rule be applied regardless of whether the IRA owner died before or after their required beginning date. Without expressly saying so, the IRS may be indicating in Publication 590-B that the 10-year rule does not apply when the IRA owner dies on or after their required beginning date, it only applies when the IRA owner died before their required beginning date.

Most IRA beneficiaries want the IRS position to be – the 10-year is not to be used when the IRA owner has died on or after their required beginning date. The IRS sets forth the following example on page 12. It is stated, "Your father died in 2020. You are the designated beneficiary of your father's traditional IRA. You are 53 years old in 2021, which is the year following your father's death. You use Table I and see that you life expectancy in 2021 is 31.4. If the IRA was worth $100,000 at the end of 2020, your required minimum distribution for 2021 would be $3,185 ($100,000/31.4)."

You will note in this example the IRS does not expressly state that the IRA owner is sufficiently old and has died after their required beginning date. Also note that because the IRA owner died after their required beginning date that the beneficiary has 31.4 years in which to close the inherited IRA rather 10 years.

We hope the IRS will issue guidance soon and time will tell. Obviously, this is an important subject. If the 10-year rule does not apply, a beneficiary is required to take an annual distribution commencing with the year following the year the IRA owner died. If the IRA owner died at age 75 in 2020, the beneficiary must withdraw their RMD by December 31, 2021. If the beneficiary fails to take that annual distribution the 50% tax will apply.

We had originally written an article that the IRS needed to correct its Publication 590-B to correct certain mistakes. That article is set forth below.

Errors Exist in the IRA Beneficiary Discussion in Publication 590-B, IRA Distributions

The IRS finally issued the 2020 version of IRS Publication 590-B (IRA Distributions) on March 25, 2021. We are writing this article on May 17, 2021, even though this newsletter is dated April. We had held issuing the April newsletter because we had hoped and expected the

Continued on page 2

THE Pension Digest

Errors Exist,
Continued from page 1

IRS to issue a corrected version of Publication 590-B soon after the IRS learned of the errors. This has not happened. It is uncertain when the IRS will issue a corrected version of Publication 590-B.

We hope the IRS will do so soon. Many IRA beneficiaries have a need to understand the revised RMD beneficiary rules after the SECURE Act.

We all depend upon the IRS to issue correct advice. But the IRS sometimes makes mistakes. The fact that the IRS makes a mistake and admits to it does not necessarily mean a taxpayer still won't suffer adverse income tax consequences. IRA beneficiaries will want to consult with their tax advisers and perform their own research so they can make informed decisions. In general, a beneficiary cannot take a distribution and then make a rollover contribution.

The IRS discussion on pages 9-14 of Publication 590-B contains some errors other discussion is correct. This article discusses the statements which are incorrect.

Error #1 is on page 10. It is stated, "The 5-year rule generally applies to all beneficiaries if the owner died in a year ending before 2020, and to beneficiaries who are not individuals if the IRA owner died in a year ending after 2019."

The fact is, most IRA plan agreements are written to provide the life distribution rule applies to all beneficiaries if the owner died in a year ending before 2020 unless the beneficiary had elected to use the 5-year rule.

Error #2 on page 12 is set forth in the following example. It is stated, "Your father died in 2020. You are the designated beneficiary of your father's traditional IRA. You are 53 years old in 2021, which is the year following your father's death. You use Table I and see that you life expectancy in 2021 is 31.4. If the IRA was worth $100,000 at the end of 2020, your required minimum distribution for 2021 would be $3,185 ($100,000/31.4)."

This example infers that the beneficiary must take an annual distribution. This is incorrect. It is not stated that the beneficiary is an EDB. Consequently, the 10-year rule will apply to the beneficiary. The beneficiary must close the inherited IRA by December 31, 2030, since the IRA owner died in 2020. There is no requirement to take an annual distribution for years 2021-2029.

There is some possibility the IRS was going to adopt the position that whatever distribution schedule applied to the deceased IRA owner who was over age 72 would continue to apply to the beneficiary. The problem is, the SECURE Act does not support this position. The SECURE Act clearly provides, that the 10-year rule or the 5-year rule as applicable shall apply to a non-EDB beneficiary whether or not distributions had begun.

Error #3 on page 12 is set forth in the following example. It is states, "The IRA owner dies in 2020 at age 80. The owner's traditional IRA went to his estate. The account balance at the end of 2020 was $100,000. In 2021 the required minimum distribution would be $10,870 ($100,000/9.2). (The owner's life expectancy in the year of death, 10.2 reduced by 1)."

This example also infers that the beneficiary must take an annual distribution. This is incorrect. The beneficiary is an estate and is not a person. Consequently, the 5-year rule will apply to the beneficiary. The beneficiary must close the inherited IRA by December 31, 2025, since the IRA owner died in 2020. There is no requirement to take an annual distribution.

There is some possibility the IRS in this situation too was going to adopt the position that whatever distribution schedule applied to the deceased IRA owner who was over age 72 would continue to apply to the beneficiary. The problem is, the SECURE Act does not support this position. The SECURE Act clearly provides, that the 10-year rule or the 5-year rule shall apply to a non-EDB beneficiary whether or not distributions had begun.

Errors #4 and #5 on page 11 are set forth in the discussion of the 5-year rule. It is stated. "For example, if the IRA owner died in 2019, the beneficiary would have to fully distribute the plan by December 31, 2024. The beneficiary is allowed, but not required, required to take distributions prior to that date. The 5-year rule never applies if the owner died on or after his or her required beginning date? "

After the SECURE Act the 5-year rule will apply when the designated beneficiary is not a person (or a qualified trust) regardless whether the IRA owner died before or after the required beginning date.

The CARES Act provided the special rule that for purposes of applying the 5-year rule to a non-spouse beneficiary of an IRA owner who has died before 2020, the

Continued on page 3

The Pension Digest

Errors Exist
Continued from page 2

year 2020 is not to be considered to be one of the 5 years. Thus, the deadline is December 31, 2025 and not December 31, 2024.

Although not an error, the IRS uses example 2 on page 10 to announce a new rule for certain surviving spouses. Under the existing IRA RMD regulation a surviving spouse who is the sole primary beneficiary is allowed to defer their commencing RMDs until December 31 of the year the deceased spouse would have attained age $70^1/_2$. The example now states, "Just like any other individual beneficiary of an owner who dies before the required beginning date, your surviving spouse must start taking distributions in 2021." The IRS does state the surviving spouse may still elect as own or do a rollover, if applicable.

Taking away from a spouse who is a sole beneficiary the right to defer commencement of distributions to the year the deceased spouse would have attain age 72 is a major change. This change should be authorized by a change in the regulation and not a change first discussed in Publication 590-B.

We at CWF believe the IRS should discuss the policy or rule change and then use an example to explain the effect of the change. The rule change should not be set forth in an example with no other explanation.

We realize the IRS is very busy administering the US tax laws. Hopefully, the IRS understands that many IRA beneficiaries are looking to the IRS to issue excellent guidance. The current situation casts some doubts as to how timely the IRS will issue such guidance. Some beneficiaries will want and need to seek guidance from their attorney or accountant.

Email Guidance – Inherited IRAs in 2021

Q-1. I have a customer who has died on 2/9/21 with his wife as beneficiary. He has NOT taken his RMD for the year. The wife will be treating it as her own and adding it to her existing IRA. Will she be required to take his RMD for this year as well as her own?

Also, the spouse will be transferring her IRA to another location. Is it REQUIRED that she take her RMD before the account is transferred?

A-1. A surviving spouse beneficiary may elect to treat their deceased spouse's IRA as their own.

There will be times when the deceased did not withdraw their RMD amount prior to their death.

There is no tax rule preventing the surviving spouse from transferring the entire balance, including the RMD.

The surviving spouse may transfer the entire balance of the deceased spouse's IRA, including the RMD. The surviving spouse must withdraw the RMD as calculated for the deceased spouse by 12/31. If the surviving spouse also has his or her RMD for that year, the surviving spouse must withdraw the combined amount by 12/31.

Q-2. I have a question about a IRA RMD distribution on a deceased person.

Another bank has the inherited IRA. The original owner died many years ago and the IRA was transferred to the deceased trust. They have been distributing for about 17 years already.

Now they want to transfer the inherited IRA to our bank. Can we continue the distributions or do we have to refigure the distributions so that the account closes within 5 years? New 2020 rule.

A-2. Since the person died prior to 2020, the IRA beneficiary is entitled to continue to use the life distribution rule until that beneficiary dies. Then the 10-year will apply to the next beneficiary.

I understand a trust was the IRA beneficiary and that the annual distributions to the trust have been based on the age of the oldest beneficiary of the trust. The IRS must furnish additional guidance on this situation - will the trust be required to close the inherited IRA under the 10-year rule once the oldest beneficiary dies? Most likely IRS guidance will be the 10-year rule will apply.

Q-3. I want to make sure that I close and transfer the money properly. Here is the scenario - Jane Smith died.

John Smith (son) is the beneficiary. He wants to transfer the inherited IRA to ABC Bank.

Continued on page 4

Inherited IRAs,
Continued from page 3

Do I close as a death wdl and make the check payable to ABC Bank fbo John Smith inherited ben of Jane Smith IRA deceased?

OR

Do I have to close the IRA and open an IRA in John Smith's name and then process an IRA transfer to the other bank?

I just want to make sure that the year end reporting is correct. Who gets the tax form? Jane only or Jane and John?

A-3. Here is the most conservative approach.

Step one – set up an inherited IRA for the son. John Smith as beneficiary of Jane Smith's IRA.

Step two – use an inherited IRA transfer form. See CWF's Form 56i or a similar form. Both institutions should sign, You will make the check payable to ABC bank as IRA custodian for John Smith's IRA as beneficiary of Jane Smith.

Moving the funds from Jane's IRA into the inherited IRA is a non-reportable transfer. No Form 1099-R is to be prepared for Jane.

Moving the funds to ABC bank is also a non-reportable transfer.

The 10-year RMD beneficiary rule applies to John as the non-spouse beneficiary.

The duty to take the RMD amount for 2021 belongs to John. I understand no distribution was made to Jane prior to her death.

You may pay the RMD to John prior to the transfer, but I suggest sending the entire amount. You should notify.ABC bank that the RMD for 2021 has not yet been satisfied.

Q-4. We have a customer whose wife recently passed away and he is wondering how long he can keep her IRA open since it is at a good rate (he is the beneficiary). I was under the impression that once we're made aware of the passing of an IRA holder, we then need to work with the beneficiaries (in this case her husband) on the next steps. Can you please advise on if there is a timeframe that it must be done in?

A-4. The bank must make the business decision whether it will continue to pay the interest rate being paid on his deceased wife's IRA.

He may elect to treat her IRA as his own or he may maintain as an inherited IRA. The bank must prepare a Form 5498 either for his own IRA or the inherited IRA.

The bank could decide to be nice and continue to pay the higher interest rate, but it is not required to do so. See the attached excerpt from CWF's IRA plan agreement form. This permits the bank to have the administrative approach – the decedent's IRA must be closed and the funds added into an existing IRA or the a new IRA be established. The interest rate applying to the deceased spouse need not be continued for the surviving spouse beneficiary.

There is no mention of his age or in what year she died. Did she die in 2020 or 2021? If she had died in 2020, once her 2020 Form 5498 would be prepared you possibly could in 2021 just change the name on the account to his name and the interest rate could continue.

Email Guidance – Disaster Distributions in 2021

Q-1. I wanted to verify my understanding of the Cares Act. Covid Related Distributions were allowed in 2020 until 12/30/2020. This meant the distribution were still considered income but there was no 10% early withdrawal penalty for those under age 59½. Any distributions now from an IRA that are Covid related are subject to the early withdrawal penalty as well as considered income for an individual under age 59½. Qualified Disaster Distributions are not the same and would not receive the same tax treatment.

I have an individual that wants to take a distribution from an IRA now (2021) and classify it as a Covid distribution. They also think they can use the three year repayment without penalty. I think the last day they could have done this is 12/30/2020.

What is your opinion?

THE Pension Digest

A-1. I agree with you. To qualify as a COVID disaster distribution the distribution had to take place on or before 12/30/20.

Only a qualifying disaster distribution may be repaid under the 3-year rule. The standard rollover rules apply to any non-disaster distribution and the standard taxation rules apply.

The IRS has acknowledged that certain 2021 disasters qualify an affected person in 2021 to receive the special disaster tax benefits. But COVID is not one of them.

Your customer may wish to review the instructions for Form 8915 for 2020 and 2021.

A-2. Here is the info we discussed regarding your customer who wants to make a partial rollover repayment contribution of a 2020 Covid-19 distribution.

See our certification form and a short email I wrote in June of 2020.

Your customer's accountant is wrong to think that the bank has the duty to report this special repayment rollover as being for tax year 2020. That is the tax preparer's job and not the bank's job.

Your institution will report on the person's 2021 Form 5498 that the person made a rollover repayment contribution in 2021.

The individual will need to complete the Form 8915 for 2020. The person will probably want to attach a copy of the repayment certification to their tax return.

As we discussed a repayment rollover contribution made in 2021 is to be reported in boxes 14a and 14b of the 2021 Form 5498 and not box 2 for a standard rollover or box 13a for a certified late rollover.

Email Guidance – May 17, 2021 and June 30, 2021 are Revised Deadlines

May 17, 2021 is the revised Tax Day and also the revised deadline for making an IRA contribution or correcting an IRA excess contribution.

As it did last year the IRS has also changed the IRA custodian's/trustee's due date with respect to the 5498 forms.

The IRS announced on March 29, 2021 by IR-2021-67 that it has postponed the due date for the various 2020 5498 forms to June 30, 2021. An IRA custodian/trustee is required to furnish IRA accountholders, IRA beneficiaries and the IRS with the Form 5498.

The IRS had announced on March 27, 2021 by IR-2021-59 that the Tax Day for individuals had been extended to May 17, 2021 from April 15, 2021.

Email Guidance – QCDs in 2021

Q-1. We have a customer that came in the bank and wanted to do a qualified charitable distribution . It was mentioned to him that he must be at least 70½ (which he's 68) and to talk to his tax advisor. He came back in and told the personal banker that his tax accountant told him he could do it. Is this correct or is there something that changed with the age of the customer? We have the Charitable Distribution Form signed by our customer "because his tax accountant said he could do it," but I wanted to check on things before I complete because I'm still second guessing his age.

This is just more for my knowledge, if we would have just done it, what consequences would the customer or us as a bank have? Customer is wanting $100 a month to go to his church.

Any insight on this situation would be greatly appreciated .

A-1. Your customer may learn a tax lesson.

The only issue I see for the bank is the customer becoming disappointed with the bank if the person experiences some unexpected tax consequences. He shouldn't blame the bank, but I don't know what expectations he has. He and the tax adviser have the responsibility to decide whether he qualifies to make a QCD.

He doesn't qualify.

The IRS does not require an IRA custodian to inform the IRS (or the individual) that the person has made a QCD. The person and the tax preparer have this duty. Their Form 1040 must be completed to show the distri-

Continued on page 6

QCDs,
Continued from page 5

bution is not taxable because the person made a QCD.

Even if the distribution would have been a QCD, the bank as the IRA custodian prepares the person's Form 1099-R showing that the distribution is taxable and that the person is over the age of 59½ (reason code 7).

In order to make a QCD the person must be age 70½ or older. This law has not changed. Your customer by withdrawing $100 per month and giving it to his church will not be making a QCD. The customer, if he itemizes deductions, may be able to claim a tax deduction for the amount he gives to the church. See the attached .

With the 2019 law change many people no longer claim a tax deduction for their charitable contributions. That is, he will have to include this amount in income when he is unable to claim a tax deduction. It may be that withdrawing $100 per month does not impact his tax return because he is under the tax filing income limits.

In summary, the bank's role is limited. I assume the customer understands he will be getting a 2021 Form 1099-R.

Q-1A. Thank you for the information. The customer did know that we would be reporting it as a normal distribution on the 1099R and his tax person would the one to show it was a QCD.

I feel like our hands are tied. We told him he doesn't qualify due to age and his accountant said he can do it. Would you even file the QCD form that we had him sign since his age isn't old enough? Or fill it out, make notes on it about his accountant informing customer to do it? My gut says to just shred it but wanted to know your opinion for sure and what's the right thing to do for the bank's standpoint.

Q-1A. I would not have him sign this form. Use of the form may give him the idea he could or might qualify.

Use of that form is always optional. In this situation I would not use it.

Q-2. I have a beneficiary of a longtime IRA customer.

This is the first year the beneficiary is required to take a distribution from his inherited IRA.

He is asking if he can take a Qualified Charitable Distribution from his inherited IRA to avoid taxes. I told him that he can do that, correct?

But then it got a bit more complicated. He said he uses a (Fidelity) Donor-Advised Giving Fund where all different charities are set up. He gets his tax deduction on his normal charitable giving immediately when he puts money into this managed fund, of which funds can only be distributed to charities. He gets one 1099 for the year for the total of all money he donates to this fund, so he said it simplifies his giving.

Is this a Qualified Charitable Distribution? I assume he can get me a tax ID number for the fund to certify it.

A-2. Yes, he may make a QCD from his inherited IRA. How old is the beneficiary?

Q-2A. He is Age 71.

A-2A. His donor advised fund transaction with Fidelity is not a QCD. These are two separate tax transactions.

He is eligible to make a QCD as long as he meets the QCD requirements - at least age 70½, annual gift of $100,000 or less and the check is issued to the charity. He must also have the acknowledgment from the charity.

The tax rules provide that a QCD of $100,000 or less is to be excluded from income and it also can be used to satisfy a portion or all of any current RMD, even with respect to an inherited IRA.

The IRS has furnished minimal guidance whether or not there can be any coordination of the QCD rules with the donor advised fund rules. The most conservative approach is, there is no coordination. The QCD is a separate, independent gift.

The Pension Digest

Email Guidance – Preparing IRS Forms When There is an IRA Distribution to a State's Unclaimed Fund

Q-1. In November of 2020, my bank remitted the balance of a Traditional IRA to the state as Unclaimed Funds. The distribution was reported on a 1099R as a premature distribution with no exception due to the owner's age. Earlier this month, the IRA owner claimed the funds through the state's website and brought the them back to the bank. It was recontributed to her IRA as a Self-Certified Late Rollover because more than 60 days had passed and because unclaimed funds remission is a valid SC reason. One of the bank's employees received this message from the customer's tax preparer this morning:

This is the original 1099 that was issued showing that a distribution was taken and the total amount rollover distribution was taken. Box 2a should be 0 and box 7 should be ''G'' and the form should say "0"

The instructions for Distribution Code G say that it is used to report funds that came out of a QP and went back into a QP.

Use Code G for a direct rollover from a qualified plan, a section 403(b) plan, or a governmental section 457(b) plan to an eligible retirement plan (another qualified plan, a section 403(b) plan, a governmental section 457(b) plan, or an IRA). See Direct Rollovers, earlier. Also. use Code G for a direct payment from an IRA to an accepting employer plan, and for IRRs that are direct rollovers. ***Note.*** *Do not use Code G for a direct rollover from a designated Roth account to a Roth IRA. Use Code H.*

Technically that isn't what happened in this case. The funds were paid on the customer's behalf to the State of Indiana. The customer claimed funds and brought them back to bank for deposit to the IRA. Do I need to correct my 1099R reporting? Any guidance you can share would be appreciated.

A-1. You are correct. The accountant is wrong to believe that it is proper to correct the original 2020 Form 1099-R. The original 2020 Form 1099-R was correct. There is no such thing as a direct rollover from one IRA to another IRA and therefore use of Code G never applies relating to a distribution from an IRA where there is a rollover into another IRA. This topic can be very confusing because Code G is to be used when there is a direct payment from an IRA to a qualified plan.

I believe the IRS did modify its safe harbor late rollover certification rules for when an IRA accountholder recovers unclaimed funds from a state. It appears the IRS has not yet updated some prior guidance on this subject.

The person recovered the IRA funds in 2021. The rollover is taking place in 2021 and will be reported on the person's 2021 Form 5498 which is not generally furnished until May of 2022.

The tax preparer should be furnished this explanation or a similar explanation. The tax preparer is allowed to prepare the 2020 tax return showing that the distribution is not taxable because it was rolled over pursuant to the certified late rollover rules. He or she somehow needs to add a short note of explanation. It would simplify things if the 2020 Form 1099-R could be corrected as proposed and as requested by the tax preparer. The IRS has its reasons why it does not allow this simplified approach. The IRS wants to be informed that this is a late rollover certification situation.

Somehow, the tax preparer must attach a note explaining why the late rollover was made.

2020

Department of the Treasury
Internal Revenue Service

Instructions for Form 8915-E

Qualified 2020 Disaster Retirement Plan Distributions and Repayments (Use for Coronavirus-Related and Other Qualified 2020 Disaster Distributions)

Section references are to the Internal Revenue Code unless otherwise noted.

General Instructions

Future Developments

For the latest information about developments related to Form 8915-E and its instructions, such as legislation enacted after they were published, go to *IRS.gov/Form8915E*.

Coronavirus

The virus SARS-CoV-2 or coronavirus disease 2019 (referred to collectively in these instructions as coronavirus) is one of the qualified 2020 disasters reportable on Form 8915-E. If you were impacted by the coronavirus and you made withdrawals from your retirement plan in 2020 before December 31, you may have coronavirus-related distributions eligible for special tax benefits on Form 8915-E. See *Coronavirus-related distributions* under *Qualified 2020 Disaster Distribution Requirements*, later. A distribution made December 31, 2020, is not a coronavirus-related distribution.

Qualified 2020 disasters other than coronavirus

Taxpayers adversely affected by qualified 2020 disasters, other than the coronavirus, may be eligible for special tax benefits. See *Qualified 2020 disaster distributions other than coronavirus-related distributions* under *Qualified 2020 Disaster Distribution Requirements*, later. Also see *Qualified Distribution for the Purchase or Construction of a Main Home in Qualified 2020 Disaster Areas*, later. The complete list of qualified 2020 disasters is in Table 1 at the end of these instructions. Qualified 2020 disaster distributions other than coronavirus-related distributions can be made through June 24, 2021.

CAUTION *At the time these instructions went to print, only the 2020 disasters listed in Table 1 were qualified 2020 disasters. To see if other qualified 2020 disasters were added to those in Table 1 after these instructions went to print, see IRS.gov/Form8915E.*

Purpose of Form

Use Form 8915-E if you were impacted by a qualified 2020 disaster (including the coronavirus) and you received a distribution described in *Qualified 2020 Disaster Distribution Requirements*, later.

Part I. Use Part I to figure your:
- Total distributions from all retirement plans (including IRAs),
- Qualified 2020 disaster distributions, and
- Distributions other than qualified 2020 disaster distributions.

CAUTION *If you need to complete Part I of 2020 Form 8915-C or Form 8915-D, complete those forms first.*

Parts II and III. Use Parts II and III to:
- Report your qualified 2020 disaster distributions;
- Report any repayments of qualified 2020 disaster distributions; and
- Figure the taxable amount, if any, of your qualified 2020 disaster distributions.

Note. Distributions from retirement plans (other than IRAs) are reported in Part II and distributions from IRAs are reported in Part III.

Part IV. Leave Part IV blank if your **only** qualified 2020 disaster is the coronavirus. Qualified distributions and Part IV are for qualified 2020 disasters **other than** the coronavirus.

Use Part IV of Form 8915-E to:
- Report that you received qualified distributions for the purchase or construction of a main home in qualified 2020 disaster areas that you repaid, in whole or in part, no earlier than the first day of the disaster and no later than June 25, 2021;
- Report any repayments of qualified distributions (not reported on 2020 Form 8606, Nondeductible IRAs); and
- Figure the taxable amount, if any, of your qualified distributions (not reported on 2020 Form 8606).

See *Qualified Distribution for the Purchase or Construction of a Main Home in Qualified 2020 Disaster Areas*, and *Part IV—Qualified Distributions for the Purchase or Construction of a Main Home in Qualified 2020 Disaster Areas* near the end of these instructions.

Who Must File

File 2020 Form 8915-E if any of the following applies.
- You received a coronavirus-related distribution.
- You received a qualified 2020 disaster distribution other than a coronavirus-related distribution.
- You received a qualified distribution in 2020 for the purchase or construction of a main home in qualified 2020 disaster areas that you repaid, in whole or in part, no earlier than the first day of the disaster and no later than June 25, 2021.

When and Where To File

File 2020 Form 8915-E with your 2020 Form 1040, 1040-SR, or 1040-NR. If you are not required to file an income tax return but are required to file Form 8915-E, fill in the address information on page 1 of Form 8915-E, sign the Form 8915-E, and send it to the Internal Revenue Service at the same time and place you would otherwise file Form 1040, 1040-SR, or 1040-NR.

The timing of your distributions and repayments will determine whether you need to file an amended return to claim them. If you need to amend your 2020 Form 8915-E, see *Amending Form 8915-E*, later.

What Is a Qualified Disaster Distribution?

For 2020, qualified disaster distributions are the qualified 2020 disaster distributions described in 2020 Form 8915-E and these instructions, the qualified 2019 disaster distributions described in 2020 Form 8915-D and its instructions, and the qualified 2018 disaster distributions described in 2020 Form 8915-C and its instructions.

Qualified 2020 Disaster Distribution

Coronavirus and Other Qualified 2020 Disasters

Qualified 2020 disasters fall into two categories: coronavirus and qualified 2020 disasters other than coronavirus. These disasters are the only disasters for which a qualified 2020 disaster distribution can be reported on Form 8915-E. See *Qualified 2020 Disaster Distribution Requirements*, later.

How Is a Qualified 2020 Disaster Distribution Taxed?

Generally, a qualified 2020 disaster distribution is included in your income in equal amounts over 3 years. However, if you elect, you can include the entire distribution in your income in the year of the distribution. If more than one distribution was made during the year, you must treat all distributions for that year the same way. Any repayments made before you file your return and by the due date (including extensions)