



# THE Pension Digest

March 2023  
Published Since 1984

## ALSO IN THIS ISSUE –

IRA Funds Can't be Invested in a Collectible, *Page 2*

Email Guidance – Transfer or Rollover Important to Know the Difference, *Page 3*

Email Guidance – Correcting an Excess HSA Contribution, *Page 3*

Email Guidance – Another Core Vendor IRA Reporting Mistake, *Page 4*

Email Guidance – Roth IRA, *Page 4*

Email Guidance – SIMPLE-IRA Guidance Conversion to a Roth IRA New Laws, *Page 4*

Email Guidance – Parents Contributing to Roth IRAs of Adult Children, *Page 5*

Email Guidance – Understanding a Backdoor Roth IRA Contribution, *Page 5*

IRS Releases Data From the 2020 Form 5498s, *Page 6*

Observations about IRAs from the 2020 Form 5498, *Page 7*

Email Guidance – IRS Issues 2022 Version of Publication 590-B – IRA Distributions, *Page 8*

**Collin W. Fritz and Associates, Inc.,**  
*“The Pension Specialists”*



© 2023 Collin W. Fritz and Associates, Ltd. Copyright is not claimed in any material secured from official U.S. Government sources. Published by Collin W. Fritz and Associates, Ltd. Subscription: \$95 per year.

## DOL's Rollover Rule Nullified by a Recent Court Decision

The DOL's rollover regulation (PTE 2020-2) has been vacated. It has been nullified. This occurred on February 13, 2023 in the case, American Securities Association v. U.S. Department of Labor.

Few seem to be discussing it yet, but this case is very important because the DOL's rollover regulation is not presently in effect. The DOL's definition of a fiduciary was not accepted as being correct. Neither the DOL nor the banking regulators have issued any guidance as to what action a financial institution should be taking as a result of these court decisions.

We at CWF recommend continuing your current practices until further guidance is furnished. A financial institution acting as an IRA custodian/trustee will want to seek the advice of its advisers and watch for further developments. Congress should act, but probably won't.

The purpose and point of this email article is - a bank or trust company certainly should not be written up in any audit report for failing to follow the new DOL rule. It has been nullified.

The DOL will most likely try to save its right to set the rules for rollovers and transfers by writing again a new regulation. But the DOL faces an uphill battle because two U.S. Districts Courts have found that the DOL's new rule is not in agreement with current law defining who is an investment fiduciary. The DOL has over-reached its authority by issuing a broader definition than the current law supports.

On February 13, 2023 a federal judge

for the U.S. District Court for the Middle District of Florida Tampa Division ruled that the DOL's interim final rule as discussed in FAQ 7 was contrary to the existing law and therefore “vacatur” was proper.

This case followed an earlier case decided in September of 2022 (TIAA).

This Court in American Securities Association v. US Department of Labor found that the DOL's new definition of “regular basis” contradicted existing law. There is no authority for the DOL to make the statement that “one expects to regularly make investment recommendations regarding the IRA as part of an ongoing relationship, the advice to roll assets out of an employee benefit plan into an IRA would be the start of an advice relationship that satisfies the regular basis requirement.” The DOL's problem is, there is no law which supports the DOL's expansion of the term regular basis.

The Court did find in 3 situations that the DOL's regulation was authorized since it was “interpretative” and not the creation of new law. We believe the Court is wrong on this issue. Many of the DOL's new provisions unlawfully creates new rules. For example, there is no statutory authority for the DOL's position when funds are moved from one IRA to another via by transfer or by distribution/rollover.

This DOL rollover case and other cases have lead the U.S. Justice Department in

**Continued on page 2**

DOL,  
Continued from page 1

---

a recent case (student loans) being argued before the US Supreme Court to argue that even though vacatur by a District Court has been the law for over 30-40 years such a reading was incorrect and no longer is vacatur the correct remedy. Many justices were highly doubtful of this new argument.

The first case discussing the DOL's new definition of an investment fiduciary was decided on September 27, 2022. A federal judge for the U.S. District Court for the Southern District of NY granted TIAA Cref's (the Defendant) motion to dismiss. This case was commenced by 3 plaintiffs. They are current or former researchers and university professors who were participants in an ERISA plan. They argued that TIAA Cref was a functional fiduciary as defined by the DOL and it had breached various fiduciary duties. The Court ruled that "Plaintiff's fail to plead facts showing that the rollover recommendations here constituted investment advice."

The DOL rule indicates that the regular basis prong of the fiduciary test will be met if there is an expectation that there will be continuous transactions in the future in an IRA. The Court disagreed. Regular basis means regular basis. A rollover many times is a one-time transaction. The Court found there is no authority for expanding this fiduciary status to an IRA custodian/trustee. Once a distribution has been taken from an ERISA plan, "any investment recommendation regarding the proceeds of a distribution would be advice with respect to funds that are no longer assets of the plan."

The Court also found that the two of the plaintiffs were time barred to bring their case since the 6-year statute of limitations had expired as their distributions had occurred in 2013 and 2015.

In summary, a bank or trust company serving as an IRA custodian/trustee certainly should not be written up in any audit report for failing to follow the new DOL rollover rules. This regulation was nullified. It is not if effect.

Every IRA custodian/trustee will want to take into account these two court cases. Regulators tend to make everyone's life more complicated. An IRA custodian/trustee wants to service its client's well. This does not necessarily mean following what the DOL thinks should be done. Congress should settle this topic by enacting new legislation.

---

## IRA Funds Can't be Invested in a Collectible

---

IRA funds may be invested in many types of investments, but not a collectible. The law is set forth in Internal Revenue Code section 408(m)(1).

In Notice 2023-27 the IRS announces it intends to issue guidance when certain nonfungible tokens (NFTs) will be treated as collectibles. The IRS asks the public to submit comments on its proposed analysis and many questions. For example, the IRS is considering when will a digital file become a work of art and be an impermissible collectible.

If an IRA acquires a collectible, the IRA is treated as having made a distribution to the extent of the collectible's cost. In the proposed RMD regulation the IRS has proposed that such a distribution would be ineligible to be rolled over.

An NFT is a unique digital identifier. It may be used to prove ownership of an associated right or asset. Also, a NFT grants the certain rights to the holder of an asset which is not a digital file.

Section 408(m)(2) provides that, for purposes of this subsection, the term 'collectible' means- any work of art, any rug or antique, any metal or gem, any stamp or coin, any alcoholic beverage, or any other tangible personal property specified by the Secretary.

Section 408(m)(3) provides that certain coins and bullion are excluded from the definition of collectible.

The IRS is proposing to use a look through analysis. An NFT will constitute a collectible if the NFT's associated right or asset is a section 408(m) collectible. "For example, a gem is a section 408(m) collectible under section 408(m)(2)(C), and an NFT that certifies ownership of a gem constitutes a section 408(m) collectible."

Review Notice 2023-27 for a complete listing of the questions for which the IRS is asking for comments. Comments need to be submitted by June 19, 2023.

The purchase of a collectible may well raise prohibited transaction concerns. Notice 2023-27 does not address whether the purchase of investments in NFTs, cryptocurrency or other digital assets may raise fiduciary duty issues. The DOL website should be reviewed.

---

## Email Guidance – Transfer or Rollover Important to Know the Difference

---

Q-1. We had customers stop yesterday to close their IRA's and the personal banker closed them and issued the checks out to the customer. They are now taking the checks that we issued to Insurance Company A to complete a rollover request and Insurance Company A is not taking our checks as we issued them to the customer. Should we have done something different? We did not receive any paperwork in the mail from Insurance Company A.

A-1. I am not clear on - to whom was the check issued? The individual or Insurance Company A?

I understand there may be multiple persons and multiple checks. Remember a person is eligible to rollover only one distribution in a 12 month period. There will be problems if the same person received multiple distributions.

I understand the check was issued to the individual. The individual was taking a distribution and then was to make a rollover contribution with Insurance Company A.

The customer could have structured it as a distribution/rollover or as a transfer. The customer did not request a transfer. The customer did not request the check be made payable to Insurance Company A.

In order to have a transfer - both financial institutions must agree the transaction is a transfer. This is normally accomplished by both financial institutions signing a transfer form. Insurance Company A has not done so and FFNB has not done so. It does not matter who initially signs the transfer form but normally it is prepared and signed by the institution receiving the funds.

If Insurance Company A wants to have IRA funds transferred in it should understand it needs to execute a transfer form as does the other institution.

What is Insurance Company A stating, that FFNB should or must reissue the checks?

It appears to me Insurance Company A should have had better communications with the individual.

## Email Guidance – Correcting an Excess HSA Contribution

---

Q-1. We have a situation that I am hoping you can help me with. We have an employee that was contributing to a health savings account and she had forgot that her husband's employer was contributing to a health savings account. They met with their accountant and were informed that she over contributed by \$2900. What do we need to do to fix this excess contribution for tax year 2022?

A-1. The general solution is - she withdraws the \$2900 now in 2023, but she also withdraws any related income earned by the \$2900. She must explain on her/their tax return(s) (2022 and 2023). She doesn't owe the 6% excise tax because she withdrew the excess plus the earnings. She can immediately contribute for 2023- if she wants to do that.

The bank does not adjust her contribution amount on her 2022 Form 5498-SA. She did make the contribution.

The bank will prepare a 2023 Form 1099-SA to report the withdrawal of an excess. Reason code 2 is used. The IRS is not informed whether the excess was related to 2022 or 2023. She/they must explain on the tax returns.

The less common solution is - she leaves the \$2900 in her HSA and she and her spouse consider it a contribution for 2023. She must pay the 6% tax for 2022. Since this is \$174 it is very unlikely she/they would do this.

Q-1A. I just want to make sure that I am doing it how you are saying we should to fix the below problem. I have attached the distribution form and filled it in how I believe you explained but will you look it over and let me know if I should be doing it differently?

A-1A. You have prepared the HSA distribution form correctly. A person withdrew their excess HSA contribution plus the earnings.

When the 2023 Form 1099-SA is prepared, box 1 will show \$2910.32 and box 2 will show \$10.32.

## Email Guidance – Another Core Vendor IRA Reporting Mistake

---

Q-1. I have a husband and wife that each make Qualified Charitable Distributions from their IRAs. We normally use a code “F” in box 7 on the 1099-Rs for these type of transactions. His accountant told them it needs to be changed to a code 7.

He said it was explained to him by his accountant that an “F” implies that he donated to a foundation and is getting paid back for it, and a “7” used is for a typical Qualified Charitable Distribution. Just wanted to check with you before I make the correction to their 1099-Rs.

A-1. The accountant is correct. An IRA custodian is to use a Code 7 because there is no special reporting of a QCD by the IRA custodian.

The bank’s use of the F code should be discontinued as it does not apply to any IRA situation.

Were there any other 2022 1099-R forms prepared using the F code.? If so, they should be corrected also.

An individual explains on their tax return that the distribution is not taxable because a QCD was made. The bank does not inform the IRS that a QCD was made.

## Email Guidance – Roth IRA

---

Q-1. I have a Roth IRA customer that is 75 and he is moving his IRA to another institution. There is not an amount listed on the RMD current year tab on our core system for him. Are Roth IRA’s not subject to RMDs?

A-1. You are correct. A Roth IRA accountholder never has to take a distribution while alive. Any distribution is permissive. There are no RMD rules while the accountholder is alive.

Once the Roth IRA accountholder has died the RMD rules do apply to the beneficiary.

Q-2. We have a customer who has a Traditional IRA account with us and would like to convert this to a ROTH. They also currently have a ROTH IRA with us that is in a term we would be able to add to at any time.

My question is do I have to open a new plan for this ROTH conversion or can I add it to the existing ROTH funds as long as I use the correct transaction codes?

A-2. You can add the conversion contribution to the existing Roth IRA.

## Email Guidance – SIMPLE-IRA Guidance Conversion to a Roth IRA New Laws

---

Q-1. We offer the SIMPLE-IRA here at the Bank. We have an employee that has asked if she can cash out her SIMPLE and put it into a ROTH IRA. Can you please let me know if this is something that can be done?

A-1. She may “convert” now the funds in her SIMPLE-IRA to a Roth IRA. She will include the amount converted in her 2023 income.

She may want to convert all but a \$1 so the SIMPLE-IRA stays open for subsequent contributions. Once the funds go into the SIMPLE-IRA she may convert that amount. There is no limit as to how many conversions she may do.

The SECURE Act 2.0 has an important new law. The new law apparently allows an employee pursuant to her instruction to put new contributions (employee or employer) into a Roth SIMPLE-IRA or a standard SIMPLE-IRA.

The IRS will need to furnish guidance. However, It may take some time for the IRS to give such guidance.

If the employee instructs to put her contribution into a Roth SIMPLE-IRA she is not able to exclude that amount from her income as is done when it goes into a standard SIMPLE-IRA. She will pay taxes now.

We have developed some “amendment forms” so that this new program could be started immediately. The employer needs to adopt a plan amendment and so does an employee.

Funds in the ROTH SIMPLE-IRA must be kept segregated from the standard SIMPLE-IRA funds.

## Email Guidance – Parents Contributing to Roth IRAs of Adult Children

---

Q-1. We recently set up three new Roth IRAs. Ages of individuals are 21, 22 and 28. All have earned income. Their parent would like to contribute to their plan. Their preference would be to probably do monthly and would prefer to set up an automatic transfer. Can they do this? I have read different things but just want to make sure I have the correct answer.

A-1. This parent is doing a very nice thing for these 3 children.

As long as the children consent and each one has compensation and is eligible to make a Roth IRA contribution, a third party can make a gift to them and that gift may be used to make a Roth IRA contribution.

You will have to determine the capabilities of your computer system so the proper IRS/IRA reporting is done.

Yes, a person may make a Roth IRA contribution by transferring internally funds from one deposit account into a Roth IRA account. Such periodic contributions may be done monthly.

Although it will be the parent making the contribution, for IRS reporting reasons each child will be considered to be making the contribution. At the end of 2023 there will be three Form 5498s, one for each child.

One process may be - transfer from parent's checking account to child's checking account to be transferred (contributed) to each child's Roth IRA account. This would be done monthly.

The bank's concern is to make sure the 5498 forms will be prepared correctly.

It very well could be other parents would want to do the same thing.

## Email Guidance – Understanding a Backdoor Roth IRA Contribution

---

Q-1. Cust opened 2022 IRA last week. Today they want to convert it to a ROTH.

When a customer converts an IRA to a ROTH, do they have to pay taxes at the time of conversion?

Also, can the ROTH conversion be reported as 2022 not 2023?

A-1. I assume the account has earned a small amount of interest. I will assume \$2.50. The customer converts \$7,002.50. The customer is to include the \$2.50 in his income for 2023. The \$7,000 is not taxed as it was a non-deductible contribution.

Additional Discussion: A Roth IRA conversion contribution occurs in the calendar year (deadline is 12/31) it is made. A conversion made today is made in 2023 and reported on the 2023 Form 5498. This is true even if the annual contribution is designated for 2022. I will discuss the tax consequences of making a non-deductible contribution and then making a conversion in two situations.

Situation #1, The customer does not presently have a traditional IRA, SEP-IRA or SIMPLE-IRA. The customer contributed \$7,000 for the 2022 tax year. I assume the account has earned a small amount of interest. I will assume \$2.50. The customer converts \$7,002.50. The customer is to include the \$2.50 in his income for 2023. The \$7,000 is not taxed when converted/withdrawn as it was a non-deductible contribution.

Situation #2, The customer presently has funds in a traditional IRA, SEP-IRA or SIMPLE-IRA. The amount is \$21,000. The customer contributes \$7,000 for the 2022 tax year. It does not matter that the \$7,000 goes into an IRA kept separate from the other IRAs. The IRA tax rules require that all IRAs are aggregated for purposes of applying the IRA distribution rules. When there is basis (non-deductible) a portion of the distribution is taxable and a portion is not. If the customer makes a non-deductible contribution of \$7,000 and then converts/withdraws \$7,000 (25% of \$28,000), the customer will include \$5,250 (75%) income and not include in income \$1750 (25%).

If the customer makes a non-deductible contribution of \$7,000 and then withdraws/converts the \$28,000, the customer will include \$21,000 (75%) in income and not include in income \$7,000.

The customer and the tax accountant, if any, have the responsibility to prepare the customer's tax return correctly. Again, the bank does report to the customer or the IRS that the contribution was non-deductible.

## IRS Releases Data From the 2020 Form 5498s

The Form 5498 is the annual tax reporting form required to be filed by an IRA custodian with respect to each IRA plan agreement it services. For the IRS it is primarily an auditing forms. The IRS uses the information to confirm an individual was correct when he or she claimed a tax deduction for their traditional IRA contribution or does not owe income tax with respect to an distribution because it was rolled over.

The data being released shows as of December 31, 2020, IRAs had a fair market value of \$13.75 trillion dollars.

IRAs are important to individuals and IRAs are important to the financial institution servicing these individuals and their IRAs.

IRAs are under-used when it comes to making annual contributions. Only 5.5 million individuals made a traditional IRA contribution in 2020. Only 10.2 million made a Roth IRA contribution. There are approximately

150 million individuals in the U.S. who file a Federal income tax return.

IRAs are very important because often 401(k) funds and other employer sponsored plan funds are directly rolled over into IRAs when an individual retires or changes jobs. In 2020 688 billion dollars were rolled over. This amount could come from other IRAs but it primarily came from 401(k) plans and other employer sponsored plans.

Set forth below is a discussion of the IRS' summary of the 2020 Form 5498. There is valuable information. There definitely is the potential that individuals will increase their contributions - more in some types of IRA versus others. With interest rates being so low for many years many IRA custodians/trustees have not had much Roth IRA activity. This will change as interest rates on Roth IRA deposits increase.

### 2020 Form 5498 – IRAs

		Forms Filed	Amount in 000's	Individual	Amt per Individual
Box 1	Traditional IRA	6,009,317	\$25,356,927	5,533,605	\$4,582
Box 2	Rollovers	7,122,785	\$688,219,713	6,192,960	\$111,129
Box 3	Roth IRA Conversion	1,377,297	\$39,536,105	1,301,127	\$30,386
Box 4	Recharacterized	90,662	\$467,933	81,382	\$5,750
Box 5	Fair Market Value	133,812,257	\$13,787,251,000	74,441,734	\$185,209
Box 8	SEP-IRA	1,299,672	\$18,453,448	1,189,075	\$15,519
Box 9	SIMPLE-IRA	3,030,171	\$12,466,301	2,233,815	\$5,581
Box 10	Roth IRA	11,610,768	\$35,856,724	10,232,450	\$3,504
Box 12B	RMD Amount	4,482,656	\$48,417,237	3,694,801	\$13,104
Box 13A	Late Rollovers/Post	463	\$13,110	463	\$28,315
Box 14A	Repayments	6,692	\$83,921	6,692	\$12,540
Box 15A	FMV Hard to Value	1,745,189	\$160,667,915	1,596,734	\$100,623
Total		140,165,069	140,165,069	76,883,532	

## Observations about IRAs from the 2020 Form 5498

1. There was 13.75 trillion dollars in IRAs as of 12-31-2020

A. 74.4 million individuals had an IRA balance as of 12-31-2020.

B. The average IRA balance per individual was \$185,209

2. Ranking of Contributions by Type- Aggregate Amount

		Billion
Rollovers	\$688,219,713,000	\$688.0
Roth IRA Conversion	\$39,536,105,000	\$39.5
Roth IRA	\$35,856,724,000	\$35.9
Traditional IRA	\$25,356,927,000	\$25.4
SEP-IRA	\$18,453,448,000	\$18.5
SIMPLE-IRA	\$12,466,301,000	\$12.5
Recharacterized	\$467,933,000	\$.5
Total	\$820,358,151,000	\$820.3

3. Ranking of Contributions by Type - Average per individual

Rollovers	\$111,129
Roth IRA Conversion	\$30,386
SEP-IRA	\$15,519
Recharacterized	\$5,750
SIMPLE-IRA	\$5,581
Traditional IRA	\$4,582
Roth IRA	\$3,504

4. Ranking of Contributions by Type -

Numbers of Individuals Making the Contribution

Roth IRA	10,232,450
Rollovers	6,192,960
Traditional IRA	5,533,605
SIMPLE-IRA	2,233,815
Roth IRA Conversion	1,301,127
SEP-IRA	1,189,075
Recharacterized	81,382

5. Individuals contributed \$74.3 billion dollars to Roth IRAs in 2020 which is more than was contributed to traditional IRAs, SEP-IRAs and SIMPLE-IRAs.

6. \$688 billion dollars were rolled over by 6.2 million taxpayers. Taxes were deferred.

7. Box 12b reports the individuals RMD for 2021. 3.7 million taxpayers had an RMD for 2021. The average RMD was \$13,104. What is interesting is, this information has been voluntarily shared with the IRS. The IRS does not require that it be furnished. The law is unsettled if the IRS could require it to be furnished. The CORE vendors have apparently decided it is okay to furnish this information to the IRS. An IRA custodian may want to review their IRA plan agreement to make sure check that they are authorized to share this information with the IRS.

8. Note the IRS did not furnish any information regarding box 11. Box 11 must be completed if the individual must take an RMD for 2021. This would have been valuable information.

9. There were not many taxpayers who made late rollover contributions, postponed contributions or repayment contributions. Your institution may want to check to see if these boxes are being properly by its personnel and your Core vendor. We would expect there are more individuals making late rollovers than 463.

10. Box 15a is required to be completed by the IRA custodian/trustee when the IRA owns hard To value assets. It used to be that this box did not need to be completed for a Roth IRA. It appears this box must now be completed for Roth IRAs. One would think so, One would think the completion of this box means the IRS is more likely to audit the person's IRA.

## IRS Issues 2022 Version of the Publication 590-B – IRA Distributions

### What's New

**Disaster tax relief.** The special rules that provide for tax-favored withdrawals and repayments now apply to disasters that occur on or after January 26, 2021. For more information see [Disaster-Related Relief](#).

**Excise tax relief for certain 2022 required minimum distributions.** The IRS will not assert an excise tax in 2022 for missed RMDs if certain requirements are met.

See Notice 2022-53 available at [https://www.irs.gov/irb/2022-45\\_IRB#NOT-2022-53](https://www.irs.gov/irb/2022-45_IRB#NOT-2022-53), for details.

**Required minimum distributions (RMDs).** Individuals who reach age 72 after December 31, 2022, may delay receiving their RMDs until April 1 of the year following the year in which they turn age 73.

**Qualified charitable distribution one-time election.** Beginning in tax years beginning after December 30, 2022, you can elect to make a one-time distribution of up to \$50,000 from an individual retirement account to charities through a charitable remainder trust, a charitable remainder unitrust, or a charitable gift annuity funded only by qualified charitable distributions.

Also, for tax years beginning after 2023, this \$50,000 one-time election amount and the \$100,000 annual IRA charitable distribution limit will be adjusted for inflation. For more information see [Qualified charitable distributions \(QCDs\)](#).

**Certain corrective distributions not subject to 10% early distribution tax.** Beginning with distributions made on December 29, 2022, and after, the 10% additional tax on early distributions will not apply to a corrective IRA distribution, which consists of an excessive contribution (a contribution greater than the IRA contribution limit) and any earnings (the portion of the distribution subject to the 10% additional tax) allocable to the excessive contribution, as long as the corrective distribution is made on or before the due date (including extensions) of the income tax return.

**Substantially equal payments clarified.** Distributions received as periodic payments on or after December 29, 2022, will not fail to be treated as substantially equal merely because they are received as an annuity.

**Excise tax rate for excess accumulations reduced.**

The excise tax rate for distributions that are less the required minimum distribution amount (excess accumulations) is reduced to 25% for tax years beginning in 2023 and after.

You may be able to take a reduced excise tax rate of 10% of the amount not distributed, if, during the correction window, you take a distribution of the amount on which the tax is due and submit a tax return reflecting this excise tax.

The “correction window” is the period of time beginning on the date on which the excise tax is imposed on the distribution shortfall and ends on the earliest of the following dates:

- The date of mailing the deficiency notice with respect to the imposition of this tax; or
- The date the tax is assessed; or
- The last day of the second taxable year that begins after the date of the taxable year in which the excise tax is imposed.

**Distributions to terminally ill individuals.** The exception to the 10% additional tax for early distributions is expanded to apply to distributions made to terminally ill individuals on or after December 30, 2022. See [Terminally ill individuals](#), for more information.

**Tax treatment of IRA involved in a prohibited transaction.** Beginning in 2023, if an IRA owner or beneficiary engages in a prohibited transaction with respect to one of their multiple IRAs, only the IRA used in the prohibited transaction is disqualified and treated as distributed to the owner or beneficiary.

**It's March 31, 2023 -Where Is the 2022 Publication 590-A ?** The IRS earlier this month released the 2022 version of Publication 590-B on IRA distributions. The IRS has not yet issued its 2022 version of Publication 590-A on IRA contributions. April 18, 2023 is the standard deadline for making IRA contributions for 2022. The IRS needs to improve when it furnishes these IRA publications. The IRS' policy of furnishing these publications in the first 1-3 months of the following year is not good.

The IRS should furnish the 2023 versions of these two publications by July 1, 2023 so an individual may use these publications to assist with tax year 2023.

Many individuals have already filed their 2022 tax returns by when the IRS finally issues these IRA publications.