



ED SLOTT'S IRA ADVISOR

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TAX & ESTATE PLANNING FOR YOUR RETIREMENT SAVINGS

Tax Court Changes the Game for IRA Rollovers Court Rules Once-Per-Year Rollover Rule Applies to All of a Taxpayer's IRAs

Alvan L. Bobrow, et ux. v. Commissioner, TC Memo 2014-21, Docket No. 7022-11, January 28, 2014

In a decision that has wide-ranging ramifications for financial advisors and tax professionals alike, the Tax Court ruled that the once-per-year rollover rule applies to all of a person's IRAs, not to each of his IRA accounts separately. The Court's ruling directly conflicts with a long-standing IRS position in IRS Publication 590 and in private letter rulings that says that the rule applies separately to each IRA.

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two non-IRA checking accounts with Fidelity.

On April 14, 2008, Alvan received two distributions totaling \$65,064 from IRA A1. Shortly after, on June 6, 2008, he received a \$65,064 distribution from his other IRA, A2.

On June 10, 2008, which was within 60 days of both of his IRA distributions, Alvan moved \$65,064 from his individual checking account into IRA A1 to complete a tax-free rollover of his April 14th IRA distributions.

On July 31, 2008, Elisa received a \$65,064 distribution from her IRA. Are you starting to notice a pattern here? Then, on August 4, 2008 – as you've probably already guessed – the Bobrows moved \$65,064 from one of their checking accounts to Alvan's A2 IRA. This was within 60 days of Alvan's June

Facts of the Case

Alvan and Elisa Bobrow are married and held multiple accounts with Fidelity Investments. Alvan had two IRAs, IRA "A1" and IRA "A2," and Elisa had one IRA. In addition, the couple also held

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