



ED SLOTT'S IRA ADVISOR

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TAX & ESTATE PLANNING FOR YOUR RETIREMENT SAVINGS

New Once-Per-Year Rollover Rules

On March 20, 2014 the IRS released Announcement 2014-15. The announcement provides new guidance on the once-per-year rollover rule in light of the Tax Court's decision in *Bobrow*, where it ruled that the once-per-year rollover rule applies in aggregate to all of a client's IRAs and not on an account by account basis. Due to the importance of this change, the entire announcement is printed on the following page, but here are the key points you need to know to help steer clients clear of once-per-year rollover rule issues going forward.

Key Changes Post *Bobrow* and IRS Announcement 2014-15

- ❖ The IRS plans to follow the Court's decision in *Bobrow* and limit total 60-day IRA-to-IRA rollovers to one per year (365 days).
- ❖ The IRS plans to withdraw *proposed* regulation 1.408-4(b)(4)(ii) which, in direct contrast to the *Bobrow* decision, calls for the once-per-year rollover rule to apply on a per account basis.
- ❖ The current version of Publication 590, *Individual Retirement Arrangements (IRAs)*, also indicates that the once-per-year rollover rule applies on a per account basis and even includes a detailed example of such. This should not be relied on by clients or advisors, and will be revised to follow the *Bobrow* decision.
- ❖ When the *Bobrow* decision was published, many clients and advisors were concerned about the status of multiple IRA rollovers made in the past, within the same 365-day period. These individuals can all breathe a little easier now, as IRS will not enforce the *Bobrow* decision retroactively.
- ❖ The *earliest* that the IRS will follow the *Bobrow* decision and apply the once-per-year rollover rule in aggregate is 2015.

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