



ED SLOTT'S IRA ADVISOR

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August 2005

TAX & ESTATE PLANNING FOR YOUR RETIREMENT SAVINGS

Special Issue – Disclaiming an IRA IRS Issues New IRA Disclaimer Rules

IRS Revenue Ruling 2005-36 - June 27, 2005

IRS issued a major ruling on IRA disclaimers that applies to every beneficiary who inherits an IRA from someone who died after required distributions had begun.

This special issue is devoted to the disclaimer rules released by IRS in Revenue Ruling 2005-36. The major provisions are analyzed here for you as well as related cautions, questions, and the disclaimer rules.

A Revenue Ruling is authoritative and applies to all taxpayers unlike a Private Letter Ruling (PLR) which only applies to the taxpayer who requested it. It seems likely that IRS was anticipating a lot of PLRs in this area and decided they would issue one Revenue Ruling for all

taxpayers instead of issuing a series of PLRs.

The Revenue Ruling allows a beneficiary to withdraw the year of death required distribution from an IRA account and later disclaim the balance of the IRA, as long as all the disclaimer rules are satisfied.

We have also included key excerpts from the full text of the actual ruling for you on pages 6-8.

The Revenue Ruling allows a beneficiary to withdraw the year of death required distribution from an IRA account and later disclaim the balance of the IRA.

For more IRA information, visit our website at www.ira-help.com.

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