



Department of the Treasury
Internal Revenue Service

P.O. Box 2986, Stop 4103 AUSC
Austin TX 78768

In reply refer to:
Nov. 13, 2017 LTR 5759C 3
201612 30 1
Input Op:
BODC: WI



012833

Taxpayer identification number:
Types of accounts: TRADITIONAL

Contact telephone number: 1-855-346-7493
Contact hours: 9:00 a.m. 5:00 p.m. M-F, CT

Dear Taxpayer:

WHY WE ARE SENDING YOU THIS LETTER

Our records show you own a traditional individual retirement arrangement (IRA), a simplified employee pension (SEP) IRA, or a savings incentive match plan for employees (SIMPLE) IRA, are at least 70 1/2 years old, and may not have taken minimum distributions (withdrawals) from your IRA as required by law.

Owners of traditional, SEP, and SIMPLE IRAs must begin taking IRA distributions no later than April 1st of the year after the year they turn 70 1/2. Individuals who don't take the required minimum distributions (RMDs) from their IRAs may have to pay an additional 50% tax on the amount not distributed.

Owners of Roth IRAs have different rules for receiving distributions. Roth IRAs don't have RMDs as long as the owner is still living. Publication 590-B, Distributions from Individual Retirement Arrangements (IRAs), explains the distribution rules for traditional, SEP, SIMPLE, and Roth IRAs.

WHAT YOU NEED TO DO

You may want to consult your IRA trustee for assistance. If you haven't taken your RMDs for 2017 and don't correct the problem, your tax return for 2017 may be subject to a detailed review to ensure you are complying with all legal requirements, including Internal Revenue Code Section 4974, Excise Tax on Certain Accumulations in Qualified Retirement Plans. We can consider waiving the additional 50% tax if you can show your failure to take RMDs was due to a reasonable error, and are taking reasonable steps to correct the error.

You can use the worksheet in Appendix A of Publication 590-B to calculate your RMD for 2017. At the end of the year, if your IRA has

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any amount not distributed as required, complete and submit Form 5329, Additional Taxes on Qualified Plans (Including IRAs) and Other Tax-Favored Accounts, to calculate and report the 50% tax on the undistributed amount.

You must complete and submit Form 8606, Nondeductible IRAs, if you take distributions from a traditional, SEP, or SIMPLE IRA in 2017, and you made nondeductible contributions to a traditional IRA in 2017 or an earlier year.

You can get any of the forms or publications mentioned in this letter by visiting our website at www.irs.gov/forms-pubs or by calling 800-TAX-FORM (800-829-3676).

HOW TO CONTACT US

If you have questions about your RMDs, you can get information at www.irs.gov/rmd, or contact the telephone number at the top of the first page of this letter.

Thank you for your cooperation.

Sincerely yours,

Manager, Examination Operations