



THE IRA CLUB
79 W. MONROE
SUITE 1208
CHICAGO, IL 60603-4936

312-795-0988
FAX 888-600-6997
IRAklub.org

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IRA Transfer & Rollover Rules

The rules for IRA rollovers changed (effective date) January 1, 2015.
Please be sure you are following a guide dated January 1, 2015 or later.

Understanding the difference between an

- IRA to IRA Transfer (Recommended method)
- IRA to IRA Rollover

IRA to IRA Transfer: (Recommended method)

Funds flow from your account at the former IRA Trustee to your account at the new IRA Trustee without touching you (the IRA owner):

Q. How often can an IRA be "Transferred"?

A. Unlimited

Q. How do I complete an IRA to IRA Transfer?

A. Call the IRA Club:

- Sign an IRA Club Transfer Authorization Form
 - Send the IRA Club a copy of your current IRA account statement
- The IRA Club will do the rest.

Q. Taxed and Penalties

A. An IRA to IRA Transfer is not a taxable event. There are no income tax penalties.

IRA to IRA Rollover:

Funds flow from the former IRA Trustee to the owner of the IRA. The owner of the IRA deposits the funds in their personal checking account and writes a new check to the new IRA Trustee.

Q. How often can IRA funds be rolled-over?

A. Only once in a 12 month period. (Running 12 months not calendar year)

Q. Is each IRA account counted separately?

A. No, the 12 month restriction applies to the individual. If you have several accounts you are permitted only one rollover for in running 12 months (not one rollover per account).

Q. What happens if I make a second rollover in 12 months.

A. The second rollover will be treated as an IRA Distribution and will be a Taxable event.

Suggestion:

To retain the greatest flexibility; move your funds by an IRA Transfer (i.e. let us do it for you).

Reference: Internal Revenue Code Section 408(d)(3)(B)