

IRS ISSUES NEW GUIDANCE ON IN-PLAN ROTH ROLLOVERS

Dec 19, 2013

From BenefitsBryanCave.com

On December 11th, the IRS issued new guidance (Notice 2013-74) regarding rollovers of a distribution from an individual's non-designed Roth accounts within a retirement plan to his or her designated Roth account in the same plan (often referred to as "In-Plan Roth Conversions" or "In-Plan Roth Rollovers"). Such In-Plan Roth Rollovers may be tax-free to the applicable participant in a 401(k), 403(b), or 457(b) governmental plan if certain requirements are met under Code Section 402A.

The Notice clarifies a number of points which plan sponsors should be aware of when adding and/or administering an In-Plan Roth Rollover feature, including the types of contributions which may be rolled over and how such amounts must be treated by the applicable plan once rolled over. The Notice also provides for certain extensions which may permit 401(k) plan sponsors to amend their plan documents to incorporate In-Plan Roth Rollovers as late as December 31, 2014.

For a more in-depth discussion of the new guidance in the Notice, check out our recent client alert [here](#).

MEET THE TEAM



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