

# Internal Revenue Code Section 408A(e)

## Qualified Rollover Contribution

### (e) Qualified rollover contribution

For purposes of this section—

**Caution:** Code Section 408A(e)(1) below, is before amendment by SECURE Act 2.0, is effective for distributions on or before December 31, 2023.

#### (1) In general

The term “qualified rollover contribution” means a rollover contribution—

(A) to a Roth IRA from another such account,

(B) from an eligible retirement plan, but only if—

(i) in the case of an individual retirement plan, such rollover contribution meets the requirements of section 408(d)(3), and

(ii) in the case of any eligible retirement plan (as defined in section 402(c)(8)(B) other than clauses (i) and (ii) thereof), such rollover contribution meets the requirements of section 402(c), 403(b)(8), or 457(e)(16), as applicable.

For purposes of section 408(d)(3)(B), there shall be disregarded any qualified rollover contribution from an individual retirement plan (other than a Roth IRA) to a Roth IRA.

**Caution:** Code Section 408A(e)(1) below, as amended by SECURE Act 2.0, shall apply to distributions after December 31, 2023.

#### (1) In general —

The term “qualified rollover contribution” means a rollover contribution—

(A) to a Roth IRA from another such account,

(B) from an eligible retirement plan, but only if—

(i) in the case of an individual retirement plan, such rollover contribution meets the requirements of section 408(d)(3), and

(ii) in the case of any eligible retirement plan (as defined in section 402(c)(8)(B) other than clauses (i) and (ii) thereof), such rollover contribution meets the requirements of section 402(c), 403(b)(8), or 457(e)(16), as applicable, and,

(C) from a qualified tuition program to the extent provided in section 529(c)(3)(E).

For purposes of section 408(d)(3)(B), there shall be disregarded any qualified rollover contribution from an individual retirement plan (other than a Roth IRA) to a Roth IRA. The earnings and contributions of any qualified tuition program from which a qualified rollover contribution is made under subparagraph (C) shall be treated in the same manner as the earnings and contributions of a Roth IRA from which a qualified rollover contribution is made under subparagraph (A).

## **(2) Military death gratuity**

### **(A) In general**

The term “qualified rollover contribution” includes a contribution to a Roth IRA maintained for the benefit of an individual made before the end of the 1-year period beginning on the date on which such individual receives an amount under section 1477 of title 10, United States Code, or section 1967 of title 38 of such Code, with respect to a person, to the extent that such contribution does not exceed—

(i) the sum of the amounts received during such period by such individual under such sections with respect to such person, reduced by

(ii) the amounts so received which were contributed to a Coverdell education savings account under section 530(d)(9).

### **(B) Annual limit on number of rollovers not to apply**

Section 408(d)(3)(B) shall not apply with respect to amounts treated as a rollover by subparagraph (A).

### **(C) Application of section 72**

For purposes of applying section 72 in the case of a distribution which is not a qualified distribution, the amount treated as a rollover by reason of subparagraph (A) shall be treated as investment in the contract.

## **(3) Simple retirement accounts**

In the case of any payment or distribution out of a simple retirement account (as defined in section 408(p)) with respect to which an election has been made under section 408(p)(12) and to which 72(t)(6) applies, the term “qualified rollover contribution” shall not include any payment or distribution paid into an account other than another simple retirement account (as so defined).

*Text contains those laws in effect on March 24, 2024*