

MEMO# 1247

July 5, 1989

CORRECTION OF IRS NOTICE CONCERNING REPORTING OF RECHARACTERIZED EXCESS CONTRIBUTIONS

July 5, 1989 TO: PENSION MEMBERS NO. 31-89 RE: CORRECTION OF IRS NOTICE
CONCERNING REPORTING OF RECHARACTERIZED EXCESS CONTRIBUTIONS

As we previously reported, IRS Notice 89-32 describes the reporting requirements for corrective distributions under changes to the Code by the Technical and Miscellaneous Revenue Act of 1988 (TAMRA). (See Institute Memorandum to Pension Members No. 15-89, dated March 14, 1989.) In attached Announcement 89-69, the IRS has corrected Notice 89-32 with respect to the reporting of recharacterized excess contributions. As corrected, the notice provides that recharacterized excess contributions must be reported on Form W-2P for the taxable year in which a corrective distribution would have occurred but for the recharacterization. The original notice stated that such amounts must be reported in the taxable year in which the employee's earliest elective contribution during the plan year would have been received by the employee had he elected to receive the amounts in cash. We will keep you informed of further developments. Kathy D. Ireland Assistant General Counsel Attachment

Source URL: <https://icinew-stage.ici.org/memo-1247>

Copyright © by the Investment Company Institute. All rights reserved. Information may be abridged and therefore incomplete. Communications from the Institute do not constitute, and should not be considered a substitute for, legal advice.