# 2026

# Instructions for Forms 1099-R and 5498

## Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.

Section references are to the Internal Revenue Code unless otherwise noted.

## Future Developments

For the latest information about developments related to Forms 1099-R and 5498 and their instructions, such as legislation enacted after they were published, go to *IRS.gov/Form1099R* or *IRS.gov/Form5498*.

You can get Pub. 1099, General Instructions for Certain Information Returns, at *IRS.gov/Pub1099*.

## What's New

**Address fields.** For the payer's and recipient's information, we separated the address fields into separate entry boxes on Form 1099-R.

For the trustee's or issuer's and participant's information, we separated the address fields into separate entry boxes on Form 5498.

**New boxes 7a–7d of Form 1099-R.** We renumbered box 7 and the "IRA/SEP/SIMPLE" checkbox to boxes 7a and 7b and we added boxes 7c (Trump account) and 7d (Earnings on excess contributions). See the instructions for boxes 7c and 7d of Form 1099-R, later.

**Renumbered box 8 of Form 1099-R.** We renumbered box 8 and the percentage box to boxes 8a and 8b.

**Reporting the actuarial value of the contract in box 8a is optional for 2026 Form 1099-R.** For tax year 2026, the issuer of a commercial annuity contract that has been annuitized is not required to enter the amount of the year-end value of an annuitized contract in box 8a.

**Qualified long-term care distribution reported on Form 1099-R.** For tax years after 2026, participants will be able to receive qualified long-term care distributions. Those distributions will be reported on Form 1099-R and are taxable to the participant, but will not be subject to the 10% additional tax.

**New code HP for box 14b of Form 5498.** We added "HP" as the code to use for the repayment of a qualified first-time home purchase distribution. See the instructions for boxes 14a and 14b of Form 5498, later.

## Reminders

In addition, to these specific instructions, you should also use Pub. 1099 for information on the following topics.

- Who must file (certain foreign financial institutions (FFIs) and U.S. payers that report on Form(s) 1099 to satisfy their Internal Revenue Code chapter 4 reporting requirements).
- When and where to file.
- Electronic reporting.
- Corrected and void returns.
- Statements to recipients.
- Taxpayer identification numbers (TINs).
- Backup withholding.
- Penalties.
- The definitions of terms applicable for chapter 4 purposes that are referenced in these instructions.
- Other general topics.

**Due dates.** If the filing due date in these instructions falls on a Saturday, Sunday, or legal holiday, you will be considered to have timely filed if you file by the next day that is not a Saturday, Sunday, or legal holiday. Legal holidays for this purpose are legal holidays in the District of Columbia or a statewide legal holiday where the return is required to be filed. Also, a leap year does not extend the filing deadline. Dates of February 28 in these instructions remain February 28 even in leap years; the due date does not become February 29.

**Information Returns Intake System (IRIS).** The IRS has developed IRIS, an online portal for e-filing information returns. Go to *IRS.gov/IRIS* for more information.

**Online fillable forms.** To ease statement furnishing requirements, Copies B, C, 1, and 2 have been made fillable online in a PDF format available at *IRS.gov/Form1099R* and *IRS.gov/Form5498*. You can complete these copies online for furnishing statements to recipients and for retaining in your own files.

**Code Y for box 7a on Form 1099-R.** We added code "Y" to the list of codes for box 7a to identify a qualified charitable distribution (QCD). See *Qualified charitable distributions (QCDs)*, later.

For tax year 2026, the use of code Y to report a QCD is optional. If you are completing and filing a 2026 Form 1099-R, you may choose, but are not required, to enter code Y in box 7a.

## Specific Instructions for Form 1099-R

File Form 1099-R, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc., for each person to whom you have made a designated distribution or are treated as having made a distribution of $10 or more from profit-sharing or retirement plans, any individual retirement arrangements (IRAs), annuities, pensions, insurance contracts, survivor

income benefit plans, permanent and total disability payments under life insurance contracts, charitable gift annuities, etc.

Designated Roth nonelective contributions and designated Roth matching contributions must be reported on Form 1099-R for the year in which the contributions are allocated. See Q&A L-9 of Notice 2024-2, available at *IRS.gov/irb/2024-02_IRB#NOT-2024-2*.

Report on Form 1099-R death benefits payments made by employers that are not made as part of a pension, profit-sharing, or retirement plan. See *Box 1*, later.

Payments of reportable death benefits in accordance with final regulations published under section 6050Y must be reported on Form 1099-R.

Reportable disability payments made from a retirement plan must be reported on Form 1099-R.

Generally, do not report payments subject to withholding of social security and Medicare taxes on this form. Report such payments on Form W-2, Wage and Tax Statement.

Distributions from a Trump account (which are limited during the account beneficiary's growth period to distributions for a qualified ABLE rollover contribution, distributions of excess contributions with earnings or losses, and distributions upon the account beneficiary's death) must be reported on Form 1099-R.

However, a qualified rollover contribution should not be reported on Form 1099-R because it is a trustee-to-trustee transfer to a rollover Trump account that is not treated as a distribution.

**Tip:** There is no special reporting for qualified health savings account (HSA) funding distributions described in section 408(d)(9), or for the payment of qualified health insurance premiums (including long-term care insurance premiums) for retired public safety officers described in section 402(l).

**Reportable death benefits.** Under section 6050Y and the regulations thereunder, a payer must report reportable death benefits paid after December 31, 2018, in connection with a life insurance contract transferred after December 31, 2018, in a reportable policy sale. Reportable death benefits are amounts paid by reason of the death of the insured under a life insurance contract that has been transferred in a reportable policy sale. In general, a reportable policy sale is the acquisition of an interest in a life insurance contract, directly or indirectly, if the acquirer has no substantial family, business, or financial relationship with the insured apart from the acquirer's interest in such life insurance contract. The payer of reportable death benefits must file a return that includes certain information, including the name of the reportable death benefits payment recipient, the date and gross amount of each payment, and the payer's estimate of the buyer's investment in the contract. Under Regulations section 1.6050Y-4(e), however, a payer does not have to file a return for reportable death benefits payments in certain situations, including when the reportable death benefits payments are made to certain foreign payees and when the payer does not receive, and has no knowledge of any issuer having received, a reportable policy sale payment statement.

**Military retirement annuities.** Report payments to military retirees or payments of survivor benefit annuities on Form 1099-R. Report military retirement pay awarded as a property settlement to a former spouse under the name and TIN of the recipient, not that of the military retiree.

**Caution:** Use code 7 in box 7a for reporting military pensions or survivor benefit annuities. Use code 4 for reporting death benefits paid to a survivor beneficiary on a separate Form 1099-R. Do not combine with any other codes.

**Governmental section 457(b) plans.** Report on Form 1099-R, not Form W-2, income tax withholding and distributions from a section 457(b) plan maintained by a state or local government employer. Distributions from a governmental section 457(b) plan to a participant or beneficiary include all amounts that are paid from the plan. For more information, see Notice 2003-20, Eligible Deferred Compensation Plans Under Section 457 in the Internal Revenue Bulletin (IRB) 2003-19, available at *IRS.gov/pub/irs-irbs/irb03-19.pdf*. Also see *Governmental section 457(b) plan distributions*, later, for information on distribution codes.

**Nonqualified plans.** Report any reportable distributions from commercial annuities. Report distributions to employee plan participants from section 409A nonqualified deferred compensation plans and eligible nongovernmental section 457(b) plans on Form W-2, not on Form 1099-R; for nonemployees, these payments are reportable on Form 1099-NEC, Nonemployee Compensation. Report distributions to beneficiaries of deceased plan participants on Form 1099-MISC, Miscellaneous Information. For more information, see the Instructions for Form 1099-MISC and Instructions for Form 1099-NEC at *IRS.gov/Form1099MISC* and *IRS.gov/Form1099NEC*.

**Section 404(k) dividends.** Distributions of section 404(k) dividends from an employee stock ownership plan (ESOP), including a tax credit ESOP, are reported on Form 1099-R. Distributions other than section 404(k) dividends from the plan must be reported on a separate Form 1099-R.

Section 404(k) dividends paid directly from the corporation to participants or their beneficiaries are reported on Form 1099-DIV, Dividends and Distributions. See Announcement 2008-56, 2008-26 I.R.B. 1192, available at *IRS.gov/irb/2008-26_IRB#ANN-2008-56*.

**Charitable gift annuities.** If cash or capital gain property is donated in exchange for a charitable gift annuity, report distributions from the annuity on Form 1099-R. See *Charitable gift annuities*, later.

**Life insurance, annuity, and endowment contracts.** Report payments of matured or redeemed annuity, endowment, and life insurance contracts. However, you do not need to file Form 1099-R to report the surrender of a life insurance contract if it is reasonable to believe that none of the payment is includible in the income of the recipient. If you are reporting the surrender of a life

insurance contract, see *Code 7*, later. See, however, *Box 1*, later, for FFIs reporting in a manner similar to section 6047(d) for the purposes of chapter 4 of the Internal Revenue Code.

Report premiums paid by a trustee or custodian for the cost of current life or other insurance protection. Costs of current life insurance protection are not subject to the 10% additional tax under section 72(t). See *Cost of current life insurance protection*, later.

Report charges or payments for a qualified long-term care insurance contract against the cash value of an annuity contract or the cash surrender value of a life insurance contract, which is excludable from gross income under section 72(e)(11). See *Code W*, later.

***Section 1035 exchange.*** A tax-free section 1035 exchange is the exchange of (a) a life insurance contract for another life insurance contract, or for an endowment or annuity contract, or for a qualified long-term care insurance contract; (b) a contract of endowment insurance for another contract of endowment insurance that provides for regular payments to begin no later than they would have begun under the old contract, for an annuity contract, or for a qualified long-term care insurance contract; (c) an annuity contract for an annuity contract or for a qualified long-term care insurance contract; or (d) a qualified long-term care insurance contract for a qualified long-term care insurance contract. A contract shall not fail to be treated as an annuity contract or as a life insurance contract solely because a qualified long-term care insurance contract is a part of, or a rider on, such contract. However, the distribution of other property or the cancellation of a contract loan at the time of the exchange may be taxable and reportable on a separate Form 1099-R.

These exchanges of contracts are generally reportable on Form 1099-R. However, reporting on Form 1099-R is not required if (a) the exchange occurs within the same company; (b) the exchange is solely a contract for contract exchange, as defined earlier, that does not result in a designated distribution; and (c) the company maintains adequate records of the policyholder's basis in the contracts. For example, a life insurance contract issued by Xen Company received in exchange solely for another life insurance contract previously issued by Xen Company does not have to be reported on Form 1099-R as long as the company maintains the required records. See Rev. Proc. 92-26, 1992-1 C.B. 744, for certain exchanges for which reporting is not required under section 6047(d). Also see Rev. Rul. 2007-24, 2007-21 I.R.B. 1282, available at *IRS.gov/irb/2007-21_IRB#RR-2007-24*, for certain transactions that do not qualify as tax-free exchanges. For more information on partial exchanges of annuity contracts, see Rev. Proc. 2011-38, 2011-30 I.R.B. 66, available at *IRS.gov/irb/2011-30_IRB#RP-2011-38*.

Regulations under section 6050Y provide that a section 1035 exchange constitutes a reportable policy sale in limited circumstances. Death benefits paid by reason of the death of the insured under the life insurance contract issued in such circumstances are reportable death benefits that must be reported on Form 1099-R.

For more information on reporting taxable exchanges, see *Box 1*, later.

**Prohibited transactions.** If an IRA owner engages in a prohibited transaction with respect to an IRA, the assets of the IRA are treated as distributed on the first day of the tax year in which the prohibited transaction occurs. IRAs that hold non-marketable securities and/or closely held investments, in which the IRA owner effectively controls the underlying assets of such securities or investments, have a greater potential for resulting in a prohibited transaction. Enter code 5 in box 7a.

## Designated Roth Account Contributions

An employer offering a section 401(k), 403(b), or governmental section 457(b) plan may allow participants to contribute all or a portion of the elective deferrals they are otherwise eligible to make to a separate designated Roth account established under the plan. These contributions, which are made in lieu of elective deferrals, are designated Roth contributions. Contributions made under a section 401(k) plan must meet the requirements of Regulations section 1.401(k)-1(f) (Regulations section 1.403(b)-3(c) for a section 403(b) plan). In addition, a designated Roth account may include certain nonelective contributions or matching contributions that a participant designates as Roth contributions. Under the terms of the section 401(k) plan, section 403(b) plan, or governmental section 457(b) plan, the designated Roth account must meet the requirements of section 402A.

**Caution:** A separate Form 1099-R must be used to report the total annual distribution from a designated Roth account.

**Distributions allocable to an in-plan Roth rollover (IRR).** The distribution of an amount allocable to the taxable amount of an IRR, made within the 5-year period beginning with the first day of the participant's tax year in which the rollover was made, is treated as includible in gross income for purposes of applying section 72(t) to the distribution. The total amount allocable to such an IRR is reported in box 10. See the instructions for box 10, later. An IRR is a rollover within a retirement plan to a designated Roth account in the same plan. See Notice 2010-84, 2010-51 I.R.B. 872, available at *IRS.gov/irb/2010-51_IRB#NOT-2010-84*, as modified by Notice 2013-74, 2013-52 I.R.B. 819, available at *IRS.gov/irb/2013-52_IRB#NOT-2013-74*.

## IRA Distributions

**Types of IRAs.** An IRA can be either a traditional IRA or a Roth IRA. In general, individuals may make their own contributions to their traditional IRAs or Roth IRAs. In addition, certain employers have arrangements under which the employer may contribute to IRAs of their employees.

Under a simplified employee pension (SEP) arrangement, an employer contributes to traditional IRAs (sometimes referred to as traditional SEP IRAs) or Roth IRAs (sometimes referred to as Roth SEP IRAs) of its employees. Individuals may separately make their own contributions to the same IRAs to which their employer contributes under a SEP arrangement.

Under a savings incentive match plan for employees (SIMPLE) IRA plan, an employer contributes salary reduction contributions (at the election of the employee), matching contributions and/or nonelective contributions to traditional IRAs (sometimes referred to as traditional SIMPLE IRAs) or Roth IRAs (sometimes referred to as Roth SIMPLE IRAs) of its employees. However, a SIMPLE IRA (whether a traditional SIMPLE IRA or a Roth SIMPLE IRA) is subject to certain restrictions that do not generally apply to other traditional IRAs or Roth IRAs. For example, an individual cannot make their own contributions to a SIMPLE IRA. In addition, there are various restrictions related to distributions and contributions during the initial 2 years of participation in the SIMPLE IRA plan.

References to traditional IRAs generally include traditional SEP IRAs and traditional SIMPLE IRAs, unless otherwise stated. Likewise, references to Roth IRAs generally include Roth SEP IRAs and Roth SIMPLE IRAs, unless otherwise stated.

**IRAs other than Roth IRAs.** Unless otherwise instructed, distributions from any IRA that is not a Roth IRA must be reported in boxes 1 and 2a. Check the "Taxable amount not determined" box in box 2b. But see:

- *Traditional IRA*, later, for how to report the withdrawal of IRA contributions under section 408(d)(4) and for reporting a corrective distribution from an IRA under section 408(d)(5);
- *Transfers*, later, for information on trustee-to-trustee transfers, including recharacterizations;
- *IRA Revocation or Account Closure*, later, for reporting IRA revocations or account closures due to Customer Identification Program failures; and
- *SIMPLE IRAs*, later, for reporting a transfer from a traditional SIMPLE IRA to a traditional IRA that is not a SIMPLE IRA within the first 2 years of plan participation.

The direct rollover provisions beginning later do not apply to distributions from any IRA. However, taxable distributions from traditional IRAs that are not traditional SIMPLE IRAs may be rolled over into an eligible retirement plan. See section 408(d)(3). Traditional SIMPLE IRAs may also be rolled over into an eligible retirement plan, but only after the first 2 years of plan participation.

An IRA includes all investments under one IRA plan or account. File only one Form 1099-R for distributions from all investments under one plan that are paid in 1 year to one recipient, unless you must enter different codes in box 7a. You do not have to file a separate Form 1099-R for each distribution under the plan.

**Roth IRAs.** For distributions from a Roth IRA, see *Roth IRA* under *Box 2a*, later.

**Reporting Roth IRA conversions.** You must report a traditional IRA distribution that you know is converted this year to a Roth IRA in boxes 1 and 2a (checking box 2b "Taxable amount not determined" unless otherwise directed elsewhere in these instructions), even if the conversion is a trustee-to-trustee transfer or is with the same trustee. Enter code 2 or 7 in box 7a depending on the participant's age.

**IRA escheatment.** Payments made from IRAs to state unclaimed property funds must be reported on Form 1099-R. See Rev. Rul. 2018-17, 2018-25 I.R.B. 753, available at *IRS.gov/irb/2018-25_IRB#RR-2018-17*, as modified by Notice 2018-90, 2018-49 I.R.B. 826, available at *IRS.gov/irb/2018-49_IRB#NOT-2018-90*.

**Tip:** For deemed IRAs under section 408(q), use the rules that apply to traditional IRAs or Roth IRAs, as applicable. SEP IRAs and SIMPLE IRAs, however, may not be used as deemed IRAs

**Deemed IRAs.** For more information on deemed IRAs in qualified employer plans, see Regulations section 1.408(q)-1.

## IRA Revocation or Account Closure

If a traditional or Roth IRA is revoked during its first 7 days (under Regulations section 1.408-6(d)(4)(ii)) or is closed at any time by the IRA trustee or custodian due to a failure of the taxpayer to satisfy the Customer Identification Program requirements described in section 326 of the USA PATRIOT Act, the distribution from the IRA must be reported. In addition, Form 5498, IRA Contribution Information, must be filed to report any regular, rollover, Roth IRA conversion, SEP IRA, or SIMPLE IRA contribution to an IRA that is subsequently revoked or closed by the trustee or custodian.

If a regular contribution is made to a traditional or Roth IRA that is later revoked or closed, and a distribution is made to the taxpayer, enter the gross distribution in box 1. If no earnings are distributed, enter -0- (zero) in box 2a and code 8 in box 7a for a traditional IRA and code J for a Roth IRA. If earnings are distributed, enter the amount of earnings in box 2a. For a traditional IRA, enter codes 1 and 8, if applicable, in box 7a; for a Roth IRA, enter codes J and 8, if applicable. These earnings could be subject to the 10% additional tax under section 72(t). If a rollover contribution is made to a traditional or Roth IRA that is later revoked or closed, and distribution is made to the taxpayer, enter in boxes 1 and 2a of Form 1099-R the gross distribution and the appropriate code in box 7a (code J for a Roth IRA). Follow this same procedure for a transfer from a traditional or Roth IRA to another IRA of the same type that is later revoked or closed. The distribution could be subject to the 10% additional tax under section 72(t).

If an IRA conversion contribution or a rollover from a qualified plan is made to a Roth IRA that is later revoked or closed, and a distribution is made to the taxpayer, enter the gross distribution in box 1 of Form 1099-R. If no earnings are distributed, enter -0- (zero) in box 2a and code J in box 7a. If earnings are distributed, enter the amount of the earnings in box 2a and code J in box 7a. These earnings could be subject to the 10% additional tax under section 72(t).

If an employer makes a contribution under a SEP arrangement or a SIMPLE IRA plan and the employee's SEP IRA or SIMPLE IRA is revoked by the employee or is closed by the trustee or custodian, report the distribution as fully taxable.

For more information on IRAs that have been revoked, see Rev. Proc. 91-70, 1991-2 C.B. 899.

### Roth SEP IRAs and Roth SIMPLE IRAs

Employer matching and nonelective contributions made to a Roth SEP or Roth SIMPLE IRA must be reported in the same manner as the reporting that would have applied if (1) there were no after-tax contributions made to any of the employee's IRAs, and (2) the matching or nonelective contributions were made to an IRA that was not a Roth IRA and then immediately converted to a Roth IRA. So, employer matching and nonelective contributions made to a Roth SEP or Roth SIMPLE IRA must be reported for the year in which the contributions are made to the employee's Roth IRA, with the total reported in boxes 1 and 2a, using code 2 or 7 in box 7a and the IRA/SEP/SIMPLE checkbox in box 7b checked.

### Plan Escheatment

Payments made from qualified plans on or after January 1, 2022, to state unclaimed property funds must be reported on Form 1099-R. See Rev. Rul. 2020-24, 2020-45 I.R.B. 965, available at *IRS.gov/irb/2020-45_IRB#REV-RUL-2020-24*.

### Deductible Voluntary Employee Contributions (DVECs)

If you are reporting a total distribution from a plan that includes a distribution of DVECs, you may file a separate Form 1099-R to report the distribution of DVECs. If you do, report the distribution of DVECs in boxes 1 and 2a on the separate Form 1099-R. For the direct rollover (explained later) of funds that include DVECs, a separate Form 1099-R is not required to report the direct rollover of the DVECs.

### Direct Rollovers

You must report a direct rollover of an eligible rollover distribution. A direct rollover is the direct payment of the distribution from a qualified plan, a section 403(b) plan, or a governmental section 457(b) plan to a traditional IRA, Roth IRA, or other eligible retirement plan. For additional rules regarding the treatment of direct rollovers from designated Roth accounts, see *Designated Roth accounts*, later. A direct rollover may be made for the employee, for the employee's surviving spouse, for the spouse or former spouse who is an alternate payee under a qualified domestic relations order (QDRO), or for a nonspouse designated beneficiary, in which case the direct rollover can only be made to an inherited IRA. If the distribution is paid to the surviving spouse, the distribution is treated in the same manner as if the spouse were the employee. See Part V of Notice 2007-7, 2007-5 I.R.B. 395, available at *IRS.gov/irb/2007-05_IRB#NOT-2007-7*, and Notice 2020-51, 2020-29 I.R.B. 73, available at *IRS.gov/irb/2020-29_IRB#NOT-2020-51*, for guidance on direct rollovers by nonspouse designated beneficiaries. Also see Notice 2008-30, Part II, 2008-12 I.R.B. 638, available at *IRS.gov/irb/2008-12_IRB#NOT-2008-30*, which has been amplified and clarified by Notice 2009-75, 2009-39 I.R.B. 436, available at *IRS.gov/irb/2009-39_IRB#NOT-2009-75*, for questions and answers covering rollover contributions to Roth IRAs.

An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the employee (including net unrealized appreciation (NUA)) from a qualified plan, a section 403(b) plan, or a governmental section 457(b) plan except the following.

1. One of a series of substantially equal periodic payments made at least annually over:

   a. The life of the employee or the joint lives of the employee and the employee's designated beneficiary,

   b. The life expectancy of the employee or the joint life and last survivor expectancy of the employee and the employee's designated beneficiary, or

   c. A specified period of 10 years or more.

2. A required minimum distribution (RMD) under section 401(a)(9). A plan administrator is permitted to assume there is no designated beneficiary for purposes of determining the minimum distribution.

3. Elective deferrals (under section 402(g)(3)) and employee contributions (including earnings on each) returned because of the section 415 limits.

4. Corrective distributions of excess deferrals (under section 402(g)) and earnings.

5. Corrective distributions of excess contributions under a qualified cash or deferred arrangement (under section 401(k)) and excess aggregate contributions (under section 401(m)) and earnings.

6. Loans treated as deemed distributions (under section 72(p)). However, qualified plan loan offset amounts and plan loan offset amounts can be eligible rollover distributions. See section 402(c)(3)(C); Regulations section 1.402(c)-2, Q/A-9; and *Plan loan offsets*, later.

7. Section 404(k) dividends.

8. Cost of current life insurance protection.

9. Distributions to a payee other than the employee, the employee's surviving spouse, a spouse or former spouse who is an alternate payee under a QDRO, or a nonspouse designated beneficiary.

10. Any hardship distribution.

11. A permissible withdrawal under section 414(w).

12. Prohibited allocations of securities in an S corporation that are treated as deemed distributions.

13. Distributions of premiums for accident or health insurance under Regulations section 1.402(a)-1(e).

Amounts paid under an annuity contract purchased for, and distributed to, a participant under a qualified plan can qualify as eligible rollover distributions. See Regulations section 1.402(c)-2, Q/A-10.

**Automatic rollovers.** Eligible rollover distributions may also include involuntary distributions that are more than $1,000 but not more than $7,000 and are made from a qualified plan to an IRA on behalf of a plan participant. Involuntary distributions are generally subject to the automatic rollover provisions of section 401(a)(31)(B) and must be paid in a direct rollover to an IRA, unless the plan participant elects to have the rollover made to another eligible retirement plan or to receive the distribution directly.

For information on the notification requirements, see *Explanation to Recipients Before Eligible Rollover*

*Distributions (Section 402(f) Notice)*, later. For additional information, also see Notice 2005-5, 2005-3 I.R.B. 337, available at *IRS.gov/irb/2005-03_IRB#NOT-2005-5*, as modified by Notice 2005-95, 2005-51 I.R.B. 1172, available at *IRS.gov/irb/2005-51_IRB#NOT-2005-95*.

**Reporting a direct rollover.** Report a direct rollover in box 1 and a -0- (zero) in box 2a, unless the rollover is a direct rollover of a qualified rollover contribution other than from a designated Roth account. See *Qualified rollover contributions as defined in section 408A(e)*, later. You do not have to report capital gain in box 3 or NUA in box 6. Enter code G in box 7a unless the rollover is a direct rollover from a designated Roth account to a Roth IRA. See *Designated Roth accounts*, later. If the direct rollover is made by a nonspouse designated beneficiary, also enter code 4 in box 7a.

Prepare the form using the name and social security number (SSN) of the person for whose benefit the funds were rolled over (generally, the participant), not those of the trustee of the traditional IRA or other plan to which the funds were rolled.

If part of the distribution is a direct rollover and part is distributed to the recipient, prepare two Forms 1099-R.

For guidance on allocation of after-tax amounts to rollovers, see Notice 2014-54, 2014-41 I.R.B. 670, available at *IRS.gov/irb/2014-41_IRB#NOT-2014-54*.

For more information on eligible rollover distributions, including substantially equal periodic payments, RMDs, and plan loan offset amounts, see Regulations sections 1.402(c)-2 and 1.403(b)-7(b). See Rev. Rul. 2014-9, 2014-17 I.R.B. 975, available at *IRS.gov/irb/2014-17_IRB#RR-2014-9*, for information on rollovers to qualified plans. Also see Rev. Rul. 2002-62, which is on page 710 of I.R.B. 2002-42 at *IRS.gov/pub/irs-irbs/irb02-42.pdf*, for guidance on substantially equal periodic payments.

**Tip:** For information on distributions of amounts attributable to rollover contributions separately accounted for by an eligible retirement plan and if permissible timing restrictions apply, see Rev. Rul. 2004-12, 2004-7 I.R.B. 478, available at *IRS.gov/irb/2004-07_IRB#RR-2004-12*, as modified by *Notice 2013-74*.

***Designated Roth accounts.*** A direct rollover from a designated Roth account may only be made to another designated Roth account or to a Roth IRA. A distribution from a Roth IRA, however, cannot be rolled over into a designated Roth account. In addition, a plan is permitted to treat the balance of the participant's designated Roth account and the participant's other accounts under the plan as accounts held under two separate plans for purposes of applying the automatic rollover rules of section 401(a)(31)(B) and Q/A-9 through Q/A-11 of Regulations section 1.401(a)(31)-1. Thus, if a participant's balance in the designated Roth account is less than $200, the plan is not required to offer a direct rollover election or to apply the automatic rollover provisions to such balance.

A distribution from a designated Roth account that is a qualified distribution is tax free. A qualified distribution is a payment that is made both after age 59½ (or after death or disabililty) and after the 5-tax-year period that begins with the first day of the first tax year in which a contribution is made to the designated Roth account. Certain amounts, including corrective distributions, cannot be qualified distributions. See Regulations section 1.402A-1.

If any portion of a distribution from a designated Roth account that is not includible in gross income is to be rolled over into a designated Roth account under another plan, the rollover must be accomplished by a direct rollover. Any portion not includible in gross income that is distributed to the employee, however, cannot be rolled over to another designated Roth account, though it can be rolled over into a Roth IRA within the 60-day period described in section 402(c)(3). In the case of a direct rollover, the distributing plan is required to report to the recipient plan the amount of the investment (basis) in the contract and the first year of the 5-tax-year period, or that the distribution is a qualified distribution.

For a direct rollover of a distribution from a designated Roth account to a Roth IRA, enter the amount rolled over in box 1 and -0- (zero) in box 2a. Use code H in box 7a. For all other distributions from a designated Roth account, use code B in box 7a, unless code E applies. If the direct rollover is from one designated Roth account to another designated Roth account, also enter code G in box 7a.

For a direct rollover of a distribution from a section 401(k) plan, a section 403(b) plan, or a governmental section 457(b) plan to a designated Roth account in the same plan, enter the amount rolled over in box 1, the taxable amount in box 2a, and any basis recovery amount in box 5. Use code G in box 7a.

Report designated Roth nonelective contributions and designated Roth matching contributions for the year in which the contributions are allocated. Enter the total amount of designated Roth nonelective contributions and designated Roth matching contributions that are allocated to an individual's account in the year in boxes 1 and 2a. Use code G in box 7a. See Q&A L-9 of Notice 2024-2, available at *IRS.gov/irb/2024-02_IRB#NOT-2024-2*.

***Qualified rollover contributions as defined in section 408A(e).*** A qualified rollover contribution as defined in section 408A(e) is:

- A rollover contribution to a Roth IRA from another IRA that meets the requirements of section 408(d)(3), or
- A rollover contribution to a Roth IRA from an eligible retirement plan (other than an IRA) that meets the requirements of section 408A(e)(1)(B).

For reporting a rollover from a traditional IRA to a Roth IRA, see *Reporting Roth IRA conversions*, earlier.

For a direct rollover of an eligible rollover distribution to a Roth IRA (other than from a designated Roth account), report the total amount rolled over in box 1, the taxable amount in box 2a, and any basis recovery amount in box 5. (See the instructions for box 5, later.) Use code G in box 7a. If the direct rollover is made on behalf of a nonspouse designated beneficiary, also enter code 4 in box 7a.

For reporting instructions for a direct rollover from a designated Roth account, see *Designated Roth accounts*, earlier.

### Explanation to Recipients Before Eligible Rollover Distributions (Section 402(f) Notice)

For qualified plans, section 403(b) plans, and governmental section 457(b) plans, the plan administrator must provide to each recipient of an eligible rollover distribution an explanation using either a written paper document or an electronic medium (section 402(f) notice). The explanation must be provided no more than 180 days and no fewer than 30 days before making an eligible rollover distribution or before the annuity starting date. However, if the recipient who has received the section 402(f) notice affirmatively elects a distribution, you will not fail to satisfy the timing requirements merely because you make the distribution fewer than 30 days after you provided the notice as long as you meet the requirements of Regulations section 1.402(f)-1, Q/A-2. The electronic section 402(f) notice must meet the requirements for using electronic media in Regulations section 1.401(a)-21.

The notice must explain the rollover rules, the special tax treatment for certain lump-sum distributions, the direct rollover option (and any default procedures), the mandatory 20% withholding rules, and an explanation of how distributions from the plan to which the rollover is made may have different restrictions and tax consequences than the plan from which the rollover is made.

For periodic payments that are eligible rollover distributions, you must provide the notice before the first payment and at least once a year as long as the payments continue. For section 403(b) plans, the payer must provide an explanation of the direct rollover option within the time period described earlier or some other reasonable period of time.

Notice 2026-13, 2026-6 I.R.B. 499, available at *IRS.gov/irb/2026-06_IRB#NOT-2026-13*, contains two safe harbor explanations that may be provided to recipients of eligible rollover distributions from an employer plan in order to satisfy section 402(f).

**Involuntary distributions.** For involuntary distributions paid to an IRA in a direct rollover (automatic rollover), you may satisfy the notification requirements of section 401(a)(31)(B)(i) either separately or as a part of the section 402(f) notice. The notification must be in writing and may be sent using electronic media in accordance with Q/A-5 of Regulations section 1.402(f)-1. Also see *Notice 2005-5, Q/A-15*.

### Transfers

Generally, do not report a transfer between trustees or issuers that involves no payment or distribution of funds to the participant, including a trustee-to-trustee transfer from one IRA to another IRA, a qualified rollover contribution under section 530A(e) (which is a trustee-to-trustee transfer from a Trump account to a rollover Trump account), valid transfers from one section 403(b) plan in accordance with paragraphs 1 through 3 of Regulations section 1.403(b)-10(b), or for the purchase of permissive service credit under section 403(b)(13) or section 457(e)(17) in accordance with paragraph 4 of Regulations section 1.403(b)-10(b) and Regulations section 1.457-10(b)(8). However, you must report:

- Recharacterized IRA contributions;
- Roth IRA conversions;
- Direct rollovers from qualified plans, section 403(b) plans, or governmental section 457(b) plans, including any direct rollovers from such plans that are IRRs or are qualified rollover contributions described in section 408A(e); and
- Direct payments from IRAs to accepting employer plans.

**IRA recharacterizations.** You must report each recharacterization of an IRA contribution. If a participant makes a contribution to an IRA (first IRA) for a year, the participant may choose to recharacterize the contribution by transferring, in a trustee-to-trustee transfer, any part of the contribution (plus earnings) to another IRA (second IRA). The contribution is treated as made to the second IRA (recharacterization). A recharacterization may be made with the same trustee or with another trustee. The trustee of the first IRA must report the recharacterization as a distribution on Form 1099-R and the contribution to the first IRA and its character on Form 5498.

Enter the fair market value (FMV) of the amount recharacterized in box 1, -0- (zero) in box 2a, and code R in box 7a if reporting a recharacterization of a prior-year (2025) contribution or code N if reporting a recharacterization of a contribution in the same year (2026). It is not necessary to check the IRA/SEP/SIMPLE checkbox in box 7b. For more information on how to report, see Notice 2000-30 on page 1266 of I.R.B. 2000-25 at *IRS.gov/pub/irs-irbs/irb00-25.pdf*.

**Note:** A participant is allowed to recharacterize an IRA contribution made for a prior year when the IRS provides tax relief by postponing the tax filing due date, for example, due to a federally declared disaster.

**No recharacterizations of conversions made in 2018 or later.** A conversion of a traditional IRA to a Roth IRA, and a rollover from any other eligible retirement plan to a Roth IRA, made in the participant's tax years beginning after December 31, 2017, cannot be recharacterized as having been made to a traditional IRA.

**Section 1035 exchange.** You may have to report exchanges of insurance contracts, including an exchange under section 1035, under which any designated distribution may be made. For a section 1035 exchange that is in part taxable, file a separate Form 1099-R to report the taxable amount. See *Section 1035 exchange*, earlier.

**SIMPLE IRAs.** Do not report a trustee-to-trustee transfer from one SIMPLE IRA to another SIMPLE IRA (unless it is a conversion from a traditional SIMPLE IRA to a Roth SIMPLE IRA). However, you must report as a taxable distribution in boxes 1 and 2a a trustee-to-trustee transfer from a traditional SIMPLE IRA to a traditional IRA that is not a SIMPLE IRA during the 2-year period beginning on the day contributions are first deposited in the individual's SIMPLE IRA by the employer. For a trustee-to-trustee transfer from a Roth SIMPLE IRA to a Roth IRA that is not a SIMPLE IRA during the 2-year period beginning on the day contributions are first deposited in the individual's SIMPLE IRA by the employer, report the total distribution

in box 1 and leave box 2a blank. Use code(s) J and/or S in box 7a, if appropriate.

**Transfer of an IRA to spouse.** If you transfer or redesignate an interest from one spouse's IRA to an IRA for the other spouse under a divorce or separation instrument, the transfer or redesignation, as provided under section 408(d)(6), is tax free. Do not report such a transfer on Form 1099-R.

## Corrective Distributions

You must report on Form 1099-R corrective distributions of excess deferrals, excess contributions and excess aggregate contributions under section 401(a) plans, section 401(k) cash or deferred arrangements, section 403(a) annuity plans, section 403(b) salary reduction agreements, and salary reduction simplified employee pensions (SARSEPs) under section 408(k)(6). You must also report on Form 1099-R corrective IRA distributions made under section 408(d)(4). Excess contributions that are recharacterized under a section 401(k) plan are treated as distributed. Corrective distributions must include earnings through the end of the year in which the excess arose. These distributions are reportable on Form 1099-R and are generally taxable in the year of the distribution (except for excess deferrals under section 402(g)). Enter code 8 or P in box 7a (with code B, if applicable) to designate the distribution and the year it is taxable.

Use a separate Form 1099-R to report a corrective distribution from a designated Roth account.

**Tip:** The total amount of the elective deferral is reported in box 12 of Form W-2. See the Instructions for Forms W-2 and W-3 for more information.

**Note:** A corrective distribution of excess deferrals, excess contributions, and excess aggregate contributions made pursuant to sections 401(k)(8)(D), 401(m)(7), 402(g)(2)(C), and 408(d)(4) are not subject to the 10% additional tax. See sections 401(k)(8)(D), 401(m)(7), 402(g)(2)(C), and 72(t)(2)(ix), respectively.

For more information about reporting corrective distributions, see Table 1; Notice 89-32, 1989-1 C.B. 671; Notice 88-33, 1988-1 C.B. 513; Notice 87-77, 1987-2 C.B. 385; and the regulations under sections 401(k), 401(m), 402(g), and 457.

**Excess deferrals.** Excess deferrals under section 402(g) can occur in section 401(k) plans, section 403(b) plans, or SARSEPs. If distributed by April 15 of the year following the year of deferral, the excess is taxable to the participant in the year of deferral (other than designated Roth contributions), but the earnings are taxable in the year distributed. Except for a SARSEP, if the distribution occurs after April 15, the excess is taxable in the year of deferral and the year distributed. The earnings are taxable in the year distributed. For a SARSEP, excess deferrals not withdrawn by April 15 are considered regular IRA contributions subject to the IRA contribution limits. Corrective distributions of excess deferrals are not subject to federal income tax withholding or social security and Medicare taxes. For losses on excess deferrals, see *Losses*, later. See Regulations section 1.457-4(e) for special rules relating to excess deferrals under governmental section 457(b) plans.

**Excess contributions.** Excess contributions can occur in a section 401(k) plan or a SARSEP. All distributions of the excess contributions plus earnings (other than designated Roth contributions), including recharacterized excess contributions, are taxable to the participant in the year of distribution. Report the gross distribution in box 1 of Form 1099-R. In box 2a, enter the excess contribution and earnings distributed less any designated Roth contributions. For a SARSEP, the employer must notify the participant by March 15 of the year after the year the excess contribution was made that the participant must withdraw the excess and earnings. All distributions from a SARSEP are taxable in the year of distribution. An excess contribution not withdrawn by April 15 of the year after the year of notification is considered a regular IRA contribution subject to the IRA contribution limits.

The 10% additional tax on early distributions does not apply to an IRA distribution made pursuant to the rules of section 408(d)(4), consisting of a return of a contribution for that year and any earnings allocable to the contribution, as long as the distribution is made on or before the due date (including extensions) of the income tax return.

**Caution:** Regulations have not been updated for SARSEPs.

**Excess aggregate contributions.** Excess aggregate contributions under section 401(m) can occur in section 401(a), section 401(k), section 403(a), and section 403(b) plans. In general, a corrective distribution of excess aggregate contributions plus earnings is taxable to the participant in the year the distribution was made. However, a corrective distribution of excess aggregate contributions is not includible in gross income (other than earnings) to the extent that it represents designated Roth contributions. See Regulations section 1.401(m)-2(b)(2)(vi)(C). Report the gross distribution in box 1 of Form 1099-R. In box 2a, enter the excess and earnings distributed less any after-tax contributions.

**Losses.** If a corrective distribution of an excess deferral is made in a year after the year of deferral and a net loss has been allocated to the excess deferral, report the corrective distribution amount in boxes 1 and 2a of Form 1099-R for the year of the distribution with the appropriate distribution code in box 7a. If the excess deferrals consist of designated Roth contributions, report the corrective distribution amount in box 1, -0- (zero) in box 2a, and the appropriate distribution code in box 7a. However, taxpayers must include the total amount of the excess deferral (unadjusted for loss) in income in the year of deferral, and they may report a loss on the tax return for the year the corrective distribution is made.

## Distributions Under Employee Plans Compliance Resolution System (EPCRS)

The procedure for correcting excess annual additions under section 415 is explained in the latest EPCRS revenue procedure in section 6.06 of Rev. Proc. 2021-30, 2021-31 I.R.B. 172, available at *IRS.gov/irb/2021-31_IRB#REV-PROC-2021-30*.

Distributions to correct a section 415 failure are not eligible rollover distributions although they are subject to federal income tax withholding under section 3405. They are not subject to social security, Medicare, or Federal Unemployment Tax Act (FUTA) taxes. In addition, such distributions are not subject to the 10% additional tax under section 72(t).

You may report the distribution of elective deferrals (other than designated Roth contributions) and employee contributions (and earnings attributable to such elective deferrals and employee contributions) on the same Form 1099-R. However, if you made other distributions during the year, report them on a separate Form 1099-R. Because the distribution of elective deferrals (other than designated Roth contributions) is fully taxable in the year distributed (no part of the distribution is a return of the investment in the contract), report the total amount of the distribution in boxes 1 and 2a. Leave box 5 blank, and enter code E in box 7a. For a return of employee contributions (or designated Roth contributions) plus earnings, enter the gross distribution in box 1, the earnings attributable to the employee contributions (or designated Roth contributions) being returned in box 2a, and the employee contributions (or designated Roth contributions) being returned in box 5. Enter code E in box 7a. For more information, see Rev. Proc. 92-93, 1992-2 C.B. 505.

Similar rules apply to other corrective distributions under EPCRS. Also, special Form 1099-R reporting is available for certain plan loan failures. See section 6.07 of *Rev. Proc. 2021-30* for details.

If excess employer contributions (other than elective deferrals), and the earnings on them, under SEP, SARSEP, or SIMPLE IRA plans are returned to an employer (with the participant's consent), enter the gross distribution (excess and earnings) in box 1 and -0- (zero) in box 2a. Enter code E in box 7a.

### Failing the ADP or ACP Test After a Total Distribution

If you make a total distribution in 2026 and file a Form 1099-R with the IRS and then discover in 2027 that the plan failed either the section 401(k)(3) actual deferral percentage (ADP) test for 2026 and you compute excess contributions or the section 401(m)(2) actual contribution percentage (ACP) test and you compute excess aggregate contributions, you must recharacterize part of the total distribution as excess contributions or excess aggregate contributions. First, file a CORRECTED Form 1099-R for 2026 for the correct amount of the total distribution (not including the amount recharacterized as excess contributions or excess aggregate contributions). Second, file a new Form 1099-R for 2026 for the excess contributions or excess aggregate contributions and allocable earnings.

**Note:** To avoid a late filing penalty if the new Form 1099-R is filed after the due date, enter in the bottom margin of Form 1096, Annual Summary and Transmittal of U.S. Information Returns, the words "Filed To Correct Excess Contributions."

You must also issue copies of the Forms 1099-R to the plan participant with an explanation of why these new forms are being issued. ADP and ACP test corrective distributions are exempt from the 10% additional tax under section 72(t).

### Loans Treated as Distributions

A loan from a qualified plan under section 401(a) or 403(a), from a section 403(b) plan, or from a plan, whether or not qualified, that is maintained by the United States, a state or political subdivision thereof, or any agency or instrumentality thereof, made to a participant or beneficiary is not treated as a distribution from the plan if the loan satisfies the following requirements.

1. The loan is evidenced by an enforceable agreement.
2. The agreement specifies that the loan must be repaid within 5 years, except for a principal residence.
3. The loan must be repaid in substantially level installments (at least quarterly).
4. The loan amount does not exceed the limits in section 72(p)(2)(A) (maximum limit is equal to the lesser of 50% of the vested account balance or $50,000).

Certain exceptions, cure periods, and suspension of the repayment schedule may apply.

The loan agreement must specify the amount of the loan, the term of the loan, and the repayment schedule. The agreement may include more than one document.

If a loan fails to satisfy (1), (2), or (3), the balance of the loan is a deemed distribution. The distribution may occur at the time the loan is made or later if the loan is not repaid in accordance with the repayment schedule.

If a loan fails to satisfy (4) at the time the loan is made, the amount that exceeds the amount permitted to be loaned is a deemed distribution.

**Deemed distribution.** If a loan is treated as a deemed distribution, it is reportable on Form 1099-R using the normal taxation rules of section 72, including tax basis rules. The distribution may also be subject to the 10% additional tax under section 72(t). It is not eligible to be rolled over to an eligible retirement plan nor is it eligible for the 10-year tax option. On Form 1099-R, complete the appropriate boxes, including boxes 1 and 2a, and enter code L in box 7a. Also enter code 1 or code B, if applicable.

Interest that accrues after the deemed distribution of a loan is not an additional loan and, therefore, is not reportable on Form 1099-R.

Loans that are treated as deemed distributions or that are actual distributions are subject to federal income tax withholding. If such a distribution occurs after the loan is made, you must withhold only if you distributed cash or property (other than employer securities) at the time of the deemed or actual distribution. See section 72(p), section 72(e)(4)(A), and Regulations section 1.72(p)-1.

**Subsequent repayments.** If a participant makes any cash repayments on a loan that was reported on Form 1099-R as a deemed distribution, the repayments increase the participant's tax basis in the plan as if the

repayments were after-tax contributions. However, such repayments are not treated as after-tax contributions for purposes of section 401(m) or 415(c)(2)(B).

For a deemed distribution that was reported on Form 1099-R but was not repaid, the deemed distribution does not increase the participant's basis.

**Plan loan offsets.** If a participant's accrued benefit is reduced (offset) to repay a loan, the amount of the account balance that is offset against the loan is an actual distribution. Report it as you would any other actual distribution. Do not enter code L in box 7a.

A qualified plan loan offset is a type of plan loan offset that meets certain requirements. In order to be a qualified plan loan offset, the loan, at the time of the offset, must be a loan in good standing and the offset must be solely by reason of (1) the termination of the qualified employer plan, or (2) the failure to meet the repayment terms because the employee had a severance from employment. Report a qualified plan loan offset as you would any other actual distribution. In addition, enter code M in box 7a.

### Permissible Withdrawals Under Section 414(w)

For permissible withdrawals from an eligible automatic contribution arrangement (EACA) under section 414(w):

- The distribution (except to the extent the distribution consists of designated Roth contributions) is included in the employee's gross income in the year distributed;
- Report principal and earnings in boxes 1 and 2a except, in the case of a distribution from a designated Roth account, report only earnings in box 2a;
- The distribution is not subject to the 10% additional tax under section 72(t), indicated by reporting code 2 in box 7a; and
- The distribution must be elected by the employee no later than 90 days after the first default elective contribution under the EACA, as specified in Regulations section 1.414(w)-1(c)(2).

If the distribution is from a designated Roth account, enter code B as well as code 2 in box 7a.

### Trump Accounts

A Trump account is a type of traditional IRA established for the account beneficiary by the end of the calendar year in which the individual reaches age 17. The "growth period" for the account beneficiary starts on the date the account beneficiary's initial Trump account is established and ends on December 31st of the year in which the child reaches age 17.

For more information on Trump accounts, see *IRS.gov/Pub590A*, *IRS.gov/Pub590B*, and *IRS.gov/Form4547*.

### Corrected Form 1099-R

If you filed a Form 1099-R with the IRS and later discover that there is an error on it, you must correct it as soon as possible. For example, if you transmit a direct rollover and file a Form 1099-R with the IRS reporting that none of the direct rollover is taxable by entering -0- (zero) in box 2a, and you then discover that part of the direct rollover consists of RMDs under section 401(a)(9), you must file a corrected Form 1099-R reporting the eligible rollover distribution as the direct rollover and file a new Form 1099-R reporting the RMD as if it had been distributed to the participant. See part H in the current Pub. 1099.

If you filed a Form 1099-R with the IRS reporting a payment of reportable death benefits, you must file a corrected return within 15 calendar days of recovering any portion of the reportable death benefits from the reportable death benefits payment recipient as a result of the rescission of the reportable policy sale.

If you furnished a statement to the reportable death benefits payment recipient, you must furnish the recipient with a corrected statement within 15 calendar days of recovering any portion of the reportable death benefits from the reportable death benefits payment recipient as a result of the rescission of the reportable policy sale.

### Filer

The payer, trustee, or plan administrator must file Form 1099-R using the same name and employer identification number (EIN) used to deposit any tax withheld and to file Form 945, Annual Return of Withheld Federal Income Tax.

### Beneficiaries

If you make a distribution to a beneficiary, trust, or estate, prepare Form 1099-R using the name and TIN of the beneficiary, trust, or estate, not that of the decedent. If there are multiple beneficiaries, report on each Form 1099-R only the amount paid to the beneficiary whose name appears on the Form 1099-R, and enter the percentage in box 9a, if applicable.

**Disclaimers.** A beneficiary may make a qualified disclaimer of all or some of an IRA account balance if the disclaimed amount and income are paid to a new beneficiary or segregated in a separate account. A qualified disclaimer may be made after the beneficiary has previously received the RMD for the year of the decedent's death. For more information, see Rev. Rul. 2005-36, 2005-26 I.R.B. 1368, available at *IRS.gov/irb/2005-26_IRB#RR-2005-36*.

### Alternate Payee Under a QDRO

Distributions to an alternate payee who is a spouse or former spouse of the employee under a QDRO are reportable on Form 1099-R using the name and TIN of the alternate payee. If the alternate payee under a QDRO is a nonspouse, enter the name and TIN of the employee. However, this rule does not apply to IRAs; see *Transfer of an IRA to spouse*, earlier.

### Nonresident Aliens

If income tax is withheld under section 3405 on any distribution to a nonresident alien, report the distribution and withholding on Form 1099-R. Also file Form 945 to report the withholding. See the presumption rules in part S of the current Pub. 1099.

However, any payments to a nonresident alien from any trust under section 401(a); any annuity plan under section 403(a); any annuity, custodial account, or retirement income account under section 403(b); or any IRA account under section 408(a) or (b) are subject to withholding under section 1441, unless there is an exception under a tax treaty. Report the distribution and withholding on Form 1042, Annual Withholding Tax Return for U.S. Source

Income of Foreign Persons, and Form 1042-S, Foreign Person's U.S. Source Income Subject to Withholding.

For guidance regarding covered expatriates, see Notice 2009-85, 2009-45 I.R.B. 598, available at *IRS.gov/irb/2009-45_IRB#NOT-2009-85*.

## Statements to Recipients

If you are required to file Form 1099-R, you must furnish a statement to the recipient. For more information about the requirement to furnish a statement to each recipient, see part M in the current Pub. 1099.

**Truncating recipient's TIN on payee statements.** Pursuant to Regulations section 301.6109-4, all filers of Form 1099-R may truncate a recipient's TIN (social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN)) on payee statements. Truncation is not allowed on any documents the filer files with the IRS. A payer's TIN may not be truncated on any form. See part J in the current Pub. 1099 for more information.

**Tip:** Do not enter a negative amount in any box on Form 1099-R.

## Account Number

The account number is required if you have multiple accounts for a recipient for whom you are filing more than one Form 1099-R.

The account number is also required if you check the "FATCA filing requirement" box. See *Box 12*, later.

Additionally, the IRS encourages you to designate an account number for all Forms 1099-R that you file. See part L in the current Pub. 1099.

The policy number of the life insurance contract under which benefits are paid is required if you are reporting a payment of reportable death benefits.

## Box 1. Gross Distribution

Enter the total amount of the distribution before income tax or other deductions were withheld. Include direct rollovers, IRA direct payments to accepting employer plans, recharacterized IRA contributions, Roth IRA conversions, and premiums paid by a trustee or custodian for the cost of current life or other insurance protection. Also include in this box distributions to plan participants from governmental section 457(b) plans. However, in the case of a distribution by a trust representing certificates of deposit (CDs) redeemed early, report the net amount distributed. Also see *Box 6*, later.

For a distribution from a traditional IRA of assets that do not have a readily available FMV, enter code K in box 7a.

Include in this box the value of U.S. savings bonds distributed from a plan. Enter the appropriate taxable amount in box 2a. Furnish a statement to the plan participant showing the value of each bond at the time of distribution. This will provide them with the information necessary to figure the interest income on each bond when it is redeemed.

Include in box 1 amounts distributed from a qualified retirement plan for which the recipient elects to pay health insurance premiums under a cafeteria plan or that are paid directly to reimburse medical care expenses incurred by the recipient (see Rev. Rul. 2003-62 on page 1034 of I.R.B. 2003-25 at *IRS.gov/pub/irs-irbs/irb03-25.pdf*). Also include this amount in box 2a.

Include in box 1 charges or payments for qualified long-term care insurance contracts under combined arrangements. Enter code W in box 7a.

In addition to reporting distributions to beneficiaries of deceased employees, report here any death benefit payments made by employers that are not made as part of a pension, profit-sharing, or retirement plan. Also enter these amounts in box 2a; enter code 4 in box 7a.

**Caution:** Do not report accelerated death benefits on Form 1099-R. Report them on Form 1099-LTC, Long-Term Care and Accelerated Death Benefits.

Include in box 1 the amount of any payment of reportable death benefits.

For section 1035 exchanges that are reportable on Form 1099-R, enter the total value of the contract in box 1, -0- (zero) in box 2a, the total premiums paid in box 5, and code 6 in box 7a.

**Designated Roth account distributions.** If you are making a distribution from a designated Roth account, enter the gross distribution in box 1, the taxable portion of the distribution in box 2a, the basis included in the distributed amount in box 5, any amount allocable to an IRR made within the previous 5 years (unless an exception to section 72(t) applies) in box 10, and the first year of the 5-tax-year period for determining qualified distributions in box 11. Also enter the applicable code(s) in box 7a.

**Roth SEP IRAs and Roth SIMPLE IRAs.** Employer matching and nonelective contributions made to a Roth SEP or Roth SIMPLE IRA must be reported for the year in which the contributions are made to the employee's Roth IRA, with the total reported in boxes 1 and 2a, using code 2 or 7 in box 7a and the IRA/SEP/SIMPLE checkbox in box 7b checked.

**Employer securities and other property.** If you distribute employer securities or other property, include in box 1 the FMV of the securities or other property on the date of distribution. If there is a loss, see *Losses*, later.

If you are distributing worthless property only, you are not required to file Form 1099-R. However, you may file and enter -0- (zero) in boxes 1 and 2a and any after-tax employee contributions or designated Roth contributions in box 5.

**Charitable gift annuities.** If cash or capital gain property is donated in exchange for a charitable gift annuity, report the total amount distributed during the year in box 1. See *Charitable gift annuities* under *Box 3*, later.

**FFIs reporting in a manner similar to section 6047(d).** If you are a participating FFI electing to report with respect to a cash value insurance contract or annuity contract that is a U.S. account held by a specified U.S. person in a manner similar to section 6047(d), include in box 1 any amount paid under the contract during the reporting

period (that is, the calendar year or the year ending on the most recent contract anniversary date).

**Caution:** Do not report the account balance or value (as of the end of the reporting period) in box 1. Participating FFIs reporting in a manner similar to section 6047(d) should check the Recent developments section for Form 1099-R at *IRS.gov/Form1099R* before filing for 2026.

**Trump accounts.** If a distribution was made from a Trump account, see below.

***Distribution of excess contributions.*** Enter the amount of excess contributions (without taking into account any earnings or losses on such excess contributions) made to a Trump account during the growth period of the account beneficiary that are being distributed.

For a distribution of excess contributions, file a Form 1099-R that only contains the information with respect to the distribution of the excess contributions.

***Example 1.*** A Trump account has $100 of excess contributions and $9 of earnings attributable to those excess contributions. $109 is distributed to the account beneficiary. In box 1, report only $100 and in box 7d report the $9 of earnings.

***Example 2.*** A Trump account has $100 of excess contributions and $10 of losses attributable to those excess contributions. $90 is distributed to the account beneficiary. In box 1, report $100 and in box 7d report -0- (zero) for the losses.

***Distribution upon death during the growth period.*** Enter the FMV of the Trump account as of the date of death of the account beneficiary. This is a deemed distribution that is includible in the income of the person who acquires interest in the account upon the account beneficiary's death, and the Form 1099-R must be filed for and furnished to that person.

***Distribution for a qualified ABLE rollover contribution.*** Enter the amount of the qualified ABLE rollover contribution. A qualified ABLE rollover contribution is a trustee-to-trustee transfer of the entire account balance from a child's Trump account to the child's ABLE account in the calendar year in which the child turns age 17.

## Box 2a. Taxable Amount

**Caution:** When determining the taxable amount to be entered in box 2a, do not reduce the taxable amount by any portion of the $3,000 exclusion for which the participant may be eligible as a payment of qualified health and long-term care insurance premiums for retired public safety officers under section 402(l).

Generally, you must enter the taxable amount in box 2a. However, if you are unable to reasonably obtain the data needed to compute the taxable amount, leave this box blank. Except as provided under *Box 6*, later, do not enter excludable or tax-deferred amounts reportable in boxes 5, 6, and 8. Enter -0- (zero) in box 2a for:

- A direct rollover (other than an IRR) from a qualified plan, a section 403(b) plan, or a governmental section 457(b) plan to another such plan or to a traditional IRA;
- A direct rollover from a designated Roth account to a Roth IRA;
- An amount from a traditional IRA directly transferred to an accepting employer plan;
- An IRA recharacterization;
- A nontaxable section 1035 exchange of life insurance, annuity, endowment, or long-term care insurance contracts; or
- A nontaxable charge or payment, for the purchase of a qualified long-term care insurance contract, against the cash value of an annuity contract or the cash surrender value of a life insurance contract.

**Annuity starting date in 1998 or later.** If you made annuity payments from a qualified plan under section 401(a), 403(a), or 403(b) and the annuity starting date is in 1998 or later, you must use the simplified method under section 72(d)(1) to figure the taxable amount. Under this method, the expected number of payments you use to figure the taxable amount depends on whether the payments are based on the life of one or more than one person. See Notice 98-2, 1998-1 C.B. 266, and *Pub. 575*, Pension and Annuity Income, to help you figure the taxable amount to enter in box 2a.

**Annuity starting date after November 18, 1996, and before 1998.** Under the simplified method for figuring the taxable amount, the expected number of payments is based only on the primary annuitant's age on the annuity starting date. See Notice 98-2.

**Annuity starting date before November 19, 1996.** If you properly used the rules in effect before November 19, 1996, for annuities that started before that date, continue to report using those rules. No changes are necessary.

**Corrective distributions.** Enter in box 2a the amount of excess deferrals, excess contributions, or excess aggregate contributions (other than employee contributions or designated Roth contributions). See *Corrective Distributions*, earlier.

**Cost of current life insurance protection.** Include current life insurance protection costs (net premium costs) that were reported in box 1. However, do not report these costs and a distribution on the same Form 1099-R. Use a separate Form 1099-R for each. For the cost of current life insurance protection, enter code 9 in box 7a.

**DVECs.** Include DVEC distributions in this box. Also see *Deductible Voluntary Employee Contributions (DVECs)*, earlier.

**Designated Roth account.** Generally, a distribution from a designated Roth account that is not a qualified distribution is taxable to the recipient under section 402 in the case of a plan qualified under section 401(a), under section 403(b)(1) in the case of a section 403(b) plan, and under section 457(a)(1)(A) in the case of a governmental section 457(b) plan. For purposes of section 72, designated Roth contributions are treated as employer contributions, as described in section 72(f)(1) (that is, as includible in the participant's gross income).

***Examples.*** Participant A received a nonqualified distribution of $5,000 from the participant's designated Roth account. Immediately before the distribution, the participant's account balance was $10,000, consisting

of $9,400 of designated Roth contributions and $600 of earnings. The taxable amount of the $5,000 distribution is $300 ($600/$10,000 x $5,000). The nontaxable portion of the distribution is $4,700 ($9,400/$10,000 x $5,000). The issuer would report on Form 1099-R:

- Box 1, $5,000 as the gross distribution;
- Box 2a, $300 as the taxable amount;
- Box 4, $60 ($300 x 20% (0.20) as the withholding on the earnings portion of the distribution;
- Box 5, $4,700 as the designated Roth contribution basis (nontaxable amount);
- Box 7a, code B; and
- The first year of the 5-tax-year period in box 11.

Using the same facts as in the example above, except that the distribution was a direct rollover to a Roth IRA, the issuer would report on Form 1099-R:

- Box 1, $5,000 as the gross distribution;
- Box 2a, -0- (zero) as the taxable amount;
- Box 4, no entry;
- Box 5, $4,700 as the designated Roth contribution basis (nontaxable amount);
- Box 7a, code H; and
- The first year of the 5-tax-year period in box 11.

**Disability retirement annuity.** If annuity payments are made under a workers' compensation act or under a statute in the nature of a workers' compensation act, as compensation for personal injuries or sickness incurred during the course of employment, and a portion of the annuity payments are based on age or length of service under the retirement plan, enter the taxable portion of the annuity in box 2a. See Rev. Rul. 85-105, 1985-2 C.B. 53. Enter distribution code 3 in box 7a.

**Losses.** If a distribution is a loss, do not enter a negative amount in this box. For example, if an employee's 401(k) account balance, consisting solely of stock, is distributed but the value is less than the employee's remaining after-tax contributions or designated Roth contributions, enter the value of the stock in box 1, leave box 2a blank, and enter the employee's contributions or designated Roth contributions in box 5.

For a plan with no after-tax contributions or designated Roth contributions, even though the value of the account may have decreased, there is no loss for reporting purposes. Therefore, if there are no employer securities distributed, show the actual cash and/or FMV of property distributed in boxes 1 and 2a, and make no entry in box 5. If only employer securities are distributed, show the FMV of the securities in boxes 1 and 2a and make no entry in box 5 or 6. If both employer securities and cash or other property are distributed, show the actual cash and/or FMV of the property (including employer securities) distributed in box 1, the gross less any NUA on employer securities in box 2a (except as provided under *Box 6*, later), no entry in box 5, and any NUA in box 6.

**Roth IRA.** For a distribution from a Roth IRA, report the total distribution in box 1 and leave box 2a blank except in the case of an IRA revocation or account closure and a recharacterization, earlier. Use code J, Q, or T as appropriate in box 7a. Use code 8 or P, if applicable, in box 7a with code J. Do not combine code Q or T with any other codes.

However, for the distribution of excess Roth IRA contributions, report the gross distribution in box 1 and only the earnings in box 2a. Enter code J and code 8, P, or S in box 7a.

It is not necessary to check the IRA/SEP/SIMPLE checkbox in box 7b.

**Roth IRA conversions.** Report the total amount converted from a traditional IRA to a Roth IRA in box 2a. Check the "Taxable amount not determined" box in box 2b. A conversion is considered a distribution and must be reported even if it is with the same trustee and even if the conversion is done by a trustee-to-trustee transfer. When an individual retirement annuity described in section 408(b) is converted to a Roth IRA, the amount that is treated as distributed is the FMV of the annuity contract on the date the annuity contract is converted. This rule also applies when a traditional IRA holds an annuity contract as an account asset and the traditional IRA is converted to a Roth IRA. Determining the FMV of an individual retirement annuity issued by a company regularly engaged in the selling of contracts depends on the timing of the conversion, as outlined in Q/A-14 of Regulations section 1.408A-4.

For a Roth IRA conversion, use code 2 in box 7a if the participant is under age 59 1/2 or code 7 if the participant is at least age 59 1/2. Also check the IRA/SEP/SIMPLE checkbox in box 7b.

**Roth SEP IRAs and Roth SIMPLE IRAs.** Employer matching and nonelective contributions made to a Roth SEP or Roth SIMPLE IRA must be reported for the year in which the contributions are made to the employee's Roth IRA, with the total reported in boxes 1 and 2a, using code 2 or 7 in box 7a and the IRA/SEP/SIMPLE checkbox in box 7b checked.

**Traditional IRA.** Generally, you are not required to compute the taxable amount of a traditional IRA or designate whether any part of a distribution is a return of basis attributable to nondeductible contributions. Therefore, except as provided below or elsewhere in these instructions, report the total amount distributed from a traditional IRA in box 2a. This will be the same amount reported in box 1. Check the "Taxable amount not determined" box in box 2b.

- For a distribution by a trust representing CDs redeemed early, report the net amount distributed. Do not include any amount paid for IRA insurance protection in this box.
- For a distribution of contributions plus earnings from an IRA before the due date of the return under section 408(d)(4), report the gross distribution in box 1, only the earnings in box 2a, and enter code 8 or P, whichever is applicable, in box 7a. Also enter code 1 or 4, if applicable.
- For a distribution of excess contributions without earnings after the due date of the individual's return under section 408(d)(5), leave box 2a blank, and check the "Taxable amount not determined" box in box 2b. Use code 1 or 7 in box 7a depending on the age of the participant.
- For an amount in a traditional IRA (including a traditional SEP IRA, but only including a traditional SIMPLE IRA after the first 2 years of plan participation) paid directly to an accepting employer plan, enter the

gross amount in box 1, -0- (zero) in box 2a, and code G in box 7a.

**Trump accounts.** If a distribution was made from a Trump account, see below to determine your taxable amount.

***Distribution of excess contributions from a Trump account.*** Enter -0- (zero).

***Distribution upon death during the growth period.*** Enter the FMV of the child's Trump account on the date of death of the child (which is reported in box 1), minus any basis in the account.

***Distribution for a qualified ABLE rollover contribution.*** Enter -0- (zero).

## Box 2b. Taxable Amount Not Determined Checkbox

Enter an"X" in this box if you are unable to reasonably obtain the data needed to compute the taxable amount.

In addition, enter an "X" in this box if you are an FFI reporting in box 1 to satisfy your chapter 4 reporting requirement under the election described in Regulations section 1.1471-4(d)(5)(i)(B).

If you check this box, leave box 2a blank; but see *Traditional IRA*, earlier. Except for traditional IRAs, make every effort to compute the taxable amount.

## Box 2b. Total Distribution Checkbox

Enter an "X" in this box only if the payment shown in box 1 is a total distribution. A total distribution is one or more distributions within 1 tax year in which the entire balance of the account is distributed. If periodic or installment payments are made, mark this box in the year the final payment is made.

**Trump accounts.** If a distribution was made from a Trump account, see below.

***Distribution of excess contributions from a Trump account.*** Do not enter an "X" in this box.

***Distribution upon death during the growth period.*** Enter an "X" in this box.

***Distribution for a qualified ABLE rollover contribution.*** Enter an "X" in this box.

## Box 3. Capital Gain (Included in Box 2a)

If any amount is taxable as a capital gain, report it in box 3.

**Charitable gift annuities.** Report in box 3 any amount from a charitable gift annuity that is taxable as a capital gain. Report in box 1 the total amount distributed during the year. Report in box 2a the taxable amount. Advise the annuity recipient of any amount in box 3 subject to the 28% rate gain for collectibles and any unrecaptured section 1250 gain. Report in box 5 any nontaxable amount. Enter code F in box 7a. See Regulations section 1.1011-2(c), Example 8.

**Special rule for participants born before January 2, 1936 (or their beneficiaries).** For lump-sum distributions from qualified plans only, enter the amount in box 2a eligible for the capital gain election under section 1122(h)(3) of the Tax Reform Act of 1986 and section 641(f)(3) of the Economic Growth and Tax Relief Reconciliation Act of 2001. Enter the full amount eligible for the capital gain election. You should not complete this box for a direct rollover.

To compute the months of an employee's active participation before 1974, count as 12 months any part of a calendar year in which an employee actively participated under the plan; for active participation after 1973, count as 1 month any part of a month in which the employee actively participated under the plan. See the *Example*, later.

Active participation begins with the first month in which an employee became a participant under the plan and ends with the earliest of:

- The month in which the employee received a lump-sum distribution under the plan;
- For an employee, other than a self-employed person or owner-employee, the month in which the employee separates from service;
- The month in which the employee dies; or
- For a self-employed person or owner-employee, the first month in which the employee becomes disabled within the meaning of section 72(m)(7).

***Example.***

**Method for Computing Amount Eligible for Capital Gain Election** (see *Box 3*, earlier)

**Step 1. Total Taxable Amount**

| | | |
|---|---|---|
| A. Total distribution | | XXXXX |
| B. Less: | | |
| 1. Current actuarial value of any annuity | XXXX | |
| 2. Employee contributions or designated Roth contributions (minus any amounts previously distributed that were not includible in the employee's gross income) | XXXX | |
| 3. Net unrealized appreciation in the value of any employer securities that was a part of the lump-sum distribution | XXXX | |
| C. Total of lines 1 through 3 | | XXXXX |
| D. Total taxable amount. Subtract line C from line A. | | XXXXX |

**Step 2. Capital Gain**

Total taxable amount (line D) × (Months of active participation before 1974 / Total months of active participation) = Capital gain

## Box 4. Federal Income Tax Withheld

Enter any federal income tax withheld. This withholding under section 3405 is subject to deposit rules, and the withholding tax return is Form 945. Backup withholding does not apply. See *Pub. 15-A*, Employer's Supplemental Tax Guide, and the *Instructions for Form 945* for more withholding information.

Even though you may be using code 1 in box 7b to designate an early distribution subject to the 10%

additional tax specified in section 72(q), (t), or (v), you are not required to withhold that tax.

**Tip:** The amount withheld cannot be more than the sum of the cash and the FMV of property (excluding employer securities) received in the distribution. If a distribution consists solely of employer securities and cash ($200 or less) in lieu of fractional shares, no withholding is required.

To determine your withholding requirements for any designated distribution under section 3405, you must first determine whether the distribution is an eligible rollover distribution. See *Direct Rollovers*, earlier, for a discussion of eligible rollover distributions. If the distribution is not an eligible rollover distribution, the rules for periodic payments or nonperiodic distributions apply. For purposes of withholding, distributions from any IRA are not eligible rollover distributions.

**Eligible rollover distribution; 20% withholding.** If an eligible rollover distribution is paid directly to an eligible retirement plan in a direct rollover, do not withhold federal income tax. If any part of an eligible rollover distribution is not a direct rollover, you must withhold 20% of the part that is paid to the recipient and includible in gross income. This includes the earnings portion of any nonqualified designated Roth account distribution that is not directly rolled over. The recipient cannot claim exemption from the 20% withholding but may ask to have additional amounts withheld on Form W-4P, Withholding Certificate for Pension or Annuity Payments. If the recipient is not asking that additional amounts be withheld, Form W-4P is not required for an eligible rollover distribution because 20% withholding is mandatory.

Employer securities and plan loan offset amounts that are part of an eligible rollover distribution must be included in the amount multiplied by 20% (0.20). However, the actual amount to be withheld cannot be more than the sum of the cash and the FMV of property (excluding employer securities and plan loan offset amounts). For example, if the only part of an eligible rollover distribution that is not a direct rollover is employer securities or a plan loan offset amount, no withholding is required. However, unless otherwise exempt, any cash that is paid in the distribution must be used to satisfy the withholding on the employer securities or plan loan offset amount.

Depending on the type of plan or arrangement, the payer or, in some cases, the plan administrator is required to withhold 20% of eligible rollover distributions from a qualified plan's distributed annuity and on eligible rollover distributions from a governmental section 457(b) plan. For additional information, see section 3405(d) and Regulations sections 35.3405-1T, Q/A A-13; and 31.3405(c)-1, Q/A-4 and -5. For governmental section 457(b) plans only, see *Notice 2003-20* on page 894 of I.R.B. 2003-19.

Any NUA excludable from gross income under section 402(e)(4) is not included in the amount of any eligible rollover distribution that is subject to 20% withholding.

You are not required to withhold 20% of an eligible rollover distribution that, when aggregated with other eligible rollover distributions made to one person during the year, is less than $200.

**IRAs.** The 20% withholding does not apply to distributions from any IRA, but withholding does apply to IRAs under the rules for periodic payments and nonperiodic distributions. For withholding, assume that the entire amount of a distribution from a traditional IRA is taxable (except for the distribution of contributions under section 408(d)(4), in which only the earnings are taxable, and section 408(d)(5), as applicable). Generally, Roth IRA distributions are not subject to withholding except on the earnings portion of excess contributions distributed under section 408(d)(4).

An IRA recharacterization is not subject to income tax withholding.

**Periodic payments.** For periodic payments that are not eligible rollover distributions, withhold on the taxable part as though the periodic payments were wages, based on the recipient's Form W-4P. The recipient may request additional withholding on Form W-4P or claim exemption from withholding. If a recipient does not submit a Form W-4P, withhold by treating the recipient as single with no adjustments. See Regulations section 35.3405-1T, Q/A A-9, for a definition of periodic payments. See *Pub. 15-A* for additional information regarding withholding on periodic payments and *Pub. 15-T* for applicable tables used to determine withholding on periodic payments.

**Tip:** Rather than Form W-4P, military retirees should give you Form W-4, Employee's Withholding Certificate.

**Nonperiodic distributions.** Withhold 10% of the taxable part of a nonperiodic distribution that is not an eligible rollover distribution. In most cases, designated distributions from any IRA are treated as nonperiodic distributions subject to withholding at the 10% rate even if the distributions are paid over a periodic basis. See Regulations section 35.3405-1T, Q/A F-15. The recipient may request additional withholding on Form W-4R or claim exemption from withholding. For more information on nonperiodic distributions and withholding, see Regulations section 35-3405-1T, Q/A A-12, and parts C, D, and F.

**Failure to provide TIN.** For periodic payments and nonperiodic distributions, if a payee fails to furnish their correct TIN to you in the manner required, or if the IRS notifies you before any distribution that the TIN furnished is incorrect, a payee cannot claim exemption from withholding. For periodic payments, withhold as if the payee was single claiming no withholding allowances. For nonperiodic payments, withhold 10%. Backup withholding does not apply.

### Box 5. Employee Contributions/Designated Roth Account Contributions or Insurance Premiums

Enter the employee's contributions, designated Roth account contributions, or insurance premiums that the employee may recover tax free this year (even if they exceed the box 1 amount). The entry in box 5 may include any of the following: (a) designated Roth account contributions or contributions actually made on behalf of the employee over the years under the plan that were required to be included in the income of the employee when contributed (after-tax contributions), (b)

contributions made by the employer but considered to have been contributed by the employee under section 72(f), (c) the accumulated cost of premiums paid for life insurance protection taxable to the employee in previous years and in the current year under Regulations section 1.72-16 (cost of current life insurance protection) (only if the life insurance contract itself is distributed), and (d) premiums paid on commercial annuities. Do not include any DVECs, any elective deferrals, or any contribution to a retirement plan that was not an after-tax contribution.

Generally, for qualified plans, section 403(b) plans, and nonqualified commercial annuities, enter in box 5 the employee contributions or insurance premiums recovered tax free during the year based on the method you used to determine the taxable amount to be entered in box 2a. On a separate Form 1099-R, include the portion of the employee's basis that has been distributed from a designated Roth account. See the *Examples* in the instructions for box 2a, earlier.

If periodic payments began before 1993, you are not required, but you are encouraged, to report in box 5.

**Caution:** If you made periodic payments from a qualified plan and the annuity starting date is after November 18, 1996, you must use the simplified method to figure the tax-free amount each year. See *Annuity starting date in 1998 or later*, earlier.

If a total distribution is made, the total employee contributions or insurance premiums available to be recovered tax free must be shown only in box 5. If any previous distributions were made, any amount recovered tax free in prior years must not appear in box 5.

For payments of reportable death benefits, enter your estimate of the buyer's investment in the contract in box 5.

If you are unable to reasonably obtain the data necessary to compute the taxable amount, leave box 2a blank, leave box 5 blank (except in the case of a payment of reportable death benefits), and check the first box in box 2b. In the case of a payment of reportable death benefits, box 5 must be completed.

For more information, see Rev. Proc. 92-86, 1992-2 C.B. 495, and section 72(d).

For reporting charitable gift annuities, see *Charitable gift annuities*, earlier.

## Box 6. NUA in Employer's Securities

Use this box if a distribution from a qualified plan (except a qualified distribution from a designated Roth account) includes securities of the employer corporation (or a subsidiary or parent corporation) and you can compute the NUA in the employer's securities. Enter all the NUA in employer securities if this is a lump-sum distribution. If this is not a lump-sum distribution, enter only the NUA in employer securities attributable to employee contributions. See Regulations section 1.402(a)-1(b) for the determination of the NUA. Also see Notice 89-25, Q/A-1, 1989-1 C.B. 662. Include the NUA in box 1 but not in box 2a except in the case of a direct rollover to a Roth IRA or a designated Roth account in the same plan (see *Notice 2009-75*, Q/A-1, and *Notice 2010-84*, Q/A-7). You do not have to complete this box for a direct rollover.

## Box 7a. Distribution Code(s)

Enter the appropriate code(s) in box 7a. Use Table 1 to determine the appropriate code(s) to enter in box 7a for any amounts reported on Form 1099-R. Read the codes carefully and enter them accurately because the IRS uses the codes to help determine whether the recipient has properly reported the distribution. If the codes you enter are incorrect, the IRS may improperly propose changes to the recipient's taxes.

When applicable, enter a numeric and an alpha code. For example, when using code P for a traditional IRA distribution under section 408(d)(4), you must also enter code 1, if it applies. For a normal distribution from a qualified plan that qualifies for the 10-year tax option, enter codes 7 and A. For a direct rollover to an IRA or a qualified plan for the surviving spouse of a deceased participant, or on behalf of a nonspouse designated beneficiary, enter codes 4 and G (codes 4 and H if from a designated Roth account to a Roth IRA). If two or more distribution codes are not valid combinations, you must file more than one Form 1099-R.

**Caution:** Enter a maximum of two alphanumeric codes in box 7a. See Table 1 for allowable combinations. Only three numeric combinations are permitted on one Form 1099-R: codes 8 and 1, 8 and 2, or 8 and 4. If two or more other numeric codes are applicable, you must file more than one Form 1099-R. For example, if part of a distribution is premature (code 1) and part is not (code 7), file one Form 1099-R for the part to which code 1 applies and another Form 1099-R for the part to which code 7 applies. In addition, for the distribution of excess deferrals, parts of the distribution may be taxable in 2 different years. File separate Forms 1099-R using code 8 or P to indicate the year the amount is taxable.

**Caution:** If a qualified plan loan offset occurs in a designated Roth account (codes M and B), or a loan is treated as a deemed distribution under section 72(p) (codes L and B), and a numeric code is needed to indicate whether the recipient is subject to the 10% tax under section 72(t), omit code M or L, as applicable.

Even if the employee/taxpayer is age 59 1/2 or over, use code 1 if a series of substantially equal periodic payments was modified within 5 years of the date of the first payment (within the meaning of section 72(q)(3) or (t)(4)), if you have been reporting distributions in previous years using code 2.

For example, Jordan began receiving payments that qualified for the exception for part of a series of substantially equal periodic payments under section 72(t)(2)(A)(iv) when he was 57. When he was 61, Jordan modified the payments. Because the payments were modified within 5 years, use code 1 in the year the payments were modified, even though Jordan is over 59 1/2.

If you do not know whether the taxpayer meets the requirements for substantially equal periodic payments under section 72(t)(2)(A)(iv), use code 1 to report the payments.

**Caution:** For further guidance on what makes a series of substantially equal periodic payments, see Notice 2022-6,

2022-05 I.R.B. 460. Note that section 72(t)(2)(A) generally provides that periodic payments will not fail to be treated as substantially equal merely because they are amounts received as an annuity, and that periodic payments shall be deemed to be substantially equal if they are payable over a period described in section 72(t)(2)(A)(iv) and satisfy the requirements for annuity payments under section 401(a)(9).

If part of a distribution is paid in a direct rollover and part is not, you must file a separate Form 1099-R for each part showing the appropriate code on each form.

**Governmental section 457(b) plan distributions.** Generally, a distribution from a governmental section 457(b) plan is not subject to the 10% additional tax under section 72(t). However, an early distribution from a governmental section 457(b) plan of an amount that is attributable to a rollover from another type of eligible retirement plan or IRA is subject to the 10% additional tax as if the distribution were from a plan described in section 401(a). See section 72(t)(9). If the distribution consists solely of amounts that are not attributable to such a rollover, enter code 2 in box 7a. If the distribution consists solely of amounts attributable to such a rollover, then enter the appropriate code in box 7a as if the distribution were from a plan described in section 401(a). If the distribution is made up of amounts from both sources, you must file separate Forms 1099-R for each part of the distribution, unless code 2 would be entered on each form.

**Qualified charitable distributions (QCDs).** Generally, a QCD is a nontaxable distribution made directly by the trustee of your IRA to an organization eligible to receive tax-deductible contributions. See *Qualified charitable distributions (QCDs)* in *Pub. 590-B* for more information.

To report a QCD, use code Y with:

- Code 7 for a QCD from a non-inherited (normal distribution) IRA,
- Code 4 for a QCD from an inherited (death distribution) IRA, or
- Code K for a QCD reporting distributions of traditional IRA assets not having a readily available FMV that are either from non-inherited or inherited IRAs.

**Roth SEP IRAs and Roth SIMPLE IRAs.** Employer matching and nonelective contributions made to a Roth SEP or Roth SIMPLE IRA must be reported for the year in which the contributions are made to the employee's Roth IRA, with the total reported in boxes 1 and 2a, using code 2 or 7 in box 7a and the IRA/SEP/SIMPLE checkbox in box 7b checked.

**Trump accounts.** If the rollover is from a Trump account, see below.

***Distribution of excess contributions from a Trump account.*** Enter code 8.

***Distribution upon death during the growth period.*** Enter code 4.

***Distribution for a qualified ABLE rollover contribution.*** Enter code G.

### Box 7b. IRA/SEP/SIMPLE Checkbox

Enter an "X" in the IRA/SEP/SIMPLE checkbox if the distribution is from a traditional IRA or Roth SIMPLE IRA. Do not check the box for a distribution from a Trump account, from a Roth IRA that is not a Roth SIMPLE IRA, or for an IRA recharacterization. However, see *Roth SEP IRAs and Roth SIMPLE IRAs*, later, for special instructions on employer matching and nonelective contributions made to a Roth SEP or Roth SIMPLE IRA.

### Box 7c. Trump Account Checkbox

Enter an "X" in the Trump account checkbox if the distribution is from a Trump account.

### Box 7d. Earnings on Excess Contributions

Enter the total amount of earnings on the amount of excess contributions distributed from a Trump account that is entered in box 1. Enter -0- (zero), if there are losses on the amount of excess contributions distributed from a Trump account that is entered in box 1.

### Box 8a and 8b. Other

**Lump sum distributions from a plan that include an annuity contract.** Enter the current actuarial value of an annuity contract that is part of a lump-sum distribution. Do not include this item in boxes 1 and 2a.

To determine the value of an annuity contract, show the value as an amount equal to the current actuarial value of the annuity contract, reduced by an amount equal to the excess of the employee's contributions over the cash and other property (not including the annuity contract) distributed.

If an annuity contract is part of a multiple recipient lump-sum distribution, enter in box 8b the percentage of the total annuity contract each Form 1099-R represents along with the current actuarial value in box 8a.

**Charges against the cash value or cash surrender value of a contract for qualified long-term care insurance.** Also enter in box 8a the amount of the reduction in the investment (but not below -0- (zero)) against the cash value of an annuity contract or the cash surrender value of a life insurance contract due to charges or payments for qualified long-term care insurance contracts.

**Value of annuitized annuity contract.** For tax year 2026, the issuer of a commercial annuity contract that has been annuitized may (but is not required to) report the current actuarial value of the contract as of the end of the year if payments have been made from the contract during the year.

### Box 9a. Your Percentage of Total Distribution

If this is a total distribution and it is made to more than one person, enter the percentage received by the person whose name appears on Form 1099-R. You need not complete this box for any IRA distributions or for a direct rollover.

### Box 9b. Total Employee Contributions

You are not required to enter the total employee contributions or designated Roth contributions in box 9b. However, because this information may be helpful to the recipient, you may choose to report them.

If you choose to report the total employee contributions or designated Roth contributions, do not include any amounts recovered tax free in prior years. For a total

distribution, report the total employee contributions or designated Roth contributions in box 5 rather than in box 9b.

### Box 10. Amount Allocable to IRR Within 5 Years

Enter the amount of the distribution allocable to an IRR made within the 5-year period beginning with the first day of the year in which the rollover was made. Do not complete this box if an exception under section 72(t) applies.

For further guidance on determining amounts allocable to an IRR, see *Notice 2010-84*, Q/A-13.

### Box 11. First Year of Desig. Roth Contrib.

Enter the first year of the 5-tax-year period. This is the year in which the designated Roth account was first established by the recipient.

### Box 12. FATCA Filing Requirement Checkbox

Check the box if you are an FFI reporting a cash value insurance contract or annuity contract that is a U.S. account in a manner similar to that required under section 6047(d). See Regulations section 1.1471-4(d)(5)(i)(B) for this election. In addition, check the box if you are a U.S. payer that is reporting on Form 1099-R as part of satisfying your requirement to report with respect to a U.S. account for chapter 4 purposes, as described in Regulations section 1.1471-4(d)(2)(iii)(A).

### Box 13. Date of Payment

Enter here the date payment was made for reportable death benefits under section 6050Y.

### Boxes 14–19. State and Local Information

These boxes and Copies 1 and 2 are provided for your convenience only and need not be completed for the IRS. Use the state and local information boxes to report distributions and taxes for up to two states or localities. Keep the information for each state or locality separated by the broken line. If state or local income tax has been withheld on this distribution, you may enter it in boxes 14 and 17, as appropriate. In box 15, enter the abbreviated name of the state and the payer's state identification number. The state number is the payer's identification number assigned by the individual state. In box 18, enter the name of the locality. In boxes 16 and 19, you may enter the amount of the state or local distribution. Copy 1 may be used to provide information to the state or local tax department. Copy 2 may be used as the recipient's copy in filing a state or local income tax return.

## Table 1. Guide to Distribution Codes

| Guide to distribution codes | | |
|---|---|---|
| **Distribution codes** | **Explanations** | ***Used with code (if applicable)** |
| **1—Early distribution, no known exception.** | Use code 1 only if the participant has not reached age 59½, and you do not know if any of the exceptions under code 2, 3, or 4 apply. However, use code 1 even if the distribution is made for medical expenses, health insurance premiums, qualified higher education expenses, a first-time home purchase, a qualified reservist distribution, a qualified birth or adoption distribution, an emergency personal expense distribution, an eligible distribution to a domestic abuse victim, a terminally ill individual distribution, a qualified disaster recovery distribution, or a qualified long-term care distribution under section 72(t)(2)(B), (D), (E), (F), (G), (H), (I), (K), (L), (M), or (N). Code 1 must also be used even if a taxpayer is age 59½ or older and they modify a series of substantially equal periodic payments under section 72(q), (t), or (v) prior to the end of the 5-year period that began with the first payment. | 8, B, D, K, L, M, or P |
| **2—Early distribution, exception applies.** | Use code 2 **only if** the participant has not reached age 59½ **and you know** the distribution is any of the following.<br>• A Roth IRA conversion (an IRA converted to a Roth IRA).<br>• A distribution made from a qualified retirement plan or IRA because of an IRS levy under section 6331.<br>• A governmental section 457(b) plan distribution that is not subject to the additional 10% tax. But see *Governmental section 457(b) plans*, earlier, for information on distributions that may be subject to the 10% additional tax.<br>• A distribution from a qualified retirement plan after separation from service in or after the year the participant has reached age 55.<br>• A distribution from a governmental plan to a public safety employee (as defined in section 72(t)(10)(B)) after separation from service, in or after the year the employee has reached age 50 or 25 years of service under the plan, whichever is earlier. A distribution from a qualified plan, a section 403(a) plan, or a section 403(b) plan to an employee who provides firefighting services, after separation from service, in or after the year the employee has reached age 50 or 25 years of service under the plan, whichever is earlier.<br>• A distribution that is part of a series of substantially equal periodic payments, as described in section 72(q), (t), (u), or (v).<br>• A distribution that is a permissible withdrawal under an eligible automatic contribution arrangement (EACA).<br>• Any other distribution subject to an exception under section 72(q), (t), (u), or (v) that is not required to be reported using code 1, 3, or 4.<br>• An employer-matching or nonelective contribution made to a Roth SEP IRA or a Roth SIMPLE IRA. | 8, B, D, K, L, M, or P |
| **3—Disability.** | For these purposes, see section 72(m)(7) and Rev. Rul. 85-105, 1985-2 C.B. 53. | D |
| **4—Death.** | Use code 4 regardless of the age of the participant to indicate payment to a decedent's beneficiary, including an estate or trust. Also use it for death benefit payments made by an employer but not made as part of a pension, profit-sharing, or retirement plan. Also use it for payments of reportable death benefits. | 8, A, B, D, G, H, K, L, M, P, or Y** |
| **5—Prohibited transaction.** | Use code 5 if there was a prohibited transaction involving the IRA account. Code 5 means the account is no longer an IRA. | None |
| **6—Section 1035 exchange.** | Use code 6 to indicate the tax-free exchange of life insurance, annuity, long-term care insurance, or endowment contracts under section 1035. | W |

| Guide to distribution codes | | |
|---|---|---|
| **Distribution codes** | **Explanations** | ***Used with code (if applicable)** |
| **7—Normal distribution.** | Use code 7: (a) for a normal distribution from a plan, including a traditional IRA, section 401(k), or section 403(b) plan, if the employee/taxpayer is at least age 59½; (b) for a Roth IRA conversion if the participant is at least age 59½; and (c) to report a distribution from a life insurance, annuity, or endowment contract and for reporting income from a failed life insurance contract under section 7702(g) and (h). See Rev. Proc. 2008-42, 2008-29 I.R.B. 160, available at *IRS.gov/irb/2008-29_IRB#RP-2008-42*. Generally, use code 7 if no other code applies. Do not use code 7 for a Roth IRA.<br>**Note:** Code 1 must be used even if a taxpayer is age 59½ or older and they modify a series of substantially equal periodic payments under section 72(q), (t), or (v) prior to the end of the 5-year period that began with the first payment. | A, B, D, K, L, M, or Y** |
| **8—Excess contributions plus earnings/excess deferrals (and/or earnings) taxable in 2026.** | Use code 8 for a corrective IRA distribution under section 408(d)(4), unless code P applies. Also use this code for corrective distributions of excess deferrals, excess contributions, and excess aggregate contributions, unless code P applies. See *Corrective Distributions*, earlier, and *IRA Revocation or Account Closure*, earlier, for more information.<br>For a Trump account, use this code for a distribution of excess contributions (which should include earnings or losses). | 1, 2, 4, B, J, or K |
| **9—Cost of current life insurance protection.** | Use code 9 to report premiums paid by a trustee or custodian for current life or other insurance protection. See the instructions for box 2a, earlier, for more information. | None |
| **A—May be eligible for 10-year tax option.** | Use code A only for participants born before January 2, 1936, or their beneficiaries to indicate the distribution may be eligible for the 10-year tax option method of computing the tax on lump-sum distributions (on Form 4972, Tax on Lump-Sum Distributions). To determine whether the distribution may be eligible for the tax option, you need not consider whether the recipient used this method (or capital gain treatment) in the past. | 4 or 7 |
| **B—Designated Roth account distribution.** | Use code B for a distribution from a designated Roth account. But use code E for a section 415 distribution under EPCRS (see code E) or code H for a direct rollover to a Roth IRA. | 1, 2, 4, 7, 8, G, L, M, P, or U |
| **C—Reportable death benefits under section 6050Y.** | Use code C for a distribution to report payments of reportable death benefits. | D |
| **D—Annuity payments from nonqualified annuities and distributions from life insurance contracts that may be subject to tax under section 1411.** | Use code D for a distribution from any plan or arrangement not described in section 401(a), 403(a), 403(b), 408, 408A, or 457(b). | 1, 2, 3, 4, 7, or C |
| **E—Distributions under Employee Plans Compliance Resolution System (EPCRS).** | See *Distributions Under Employee Plans Compliance Resolution System (EPCRS)*, earlier. | None |
| **F—Charitable gift annuity.** | See *Charitable gift annuities*, earlier. | None |
| **G—Direct rollover and direct payment.** | Use code G for a direct rollover from a qualified plan, a section 403(b) plan, or a governmental section 457(b) plan to an eligible retirement plan (another qualified plan, a section 403(b) plan, a governmental section 457(b) plan, or an IRA). See *Direct Rollovers*, earlier. Also use code G for a direct payment from an IRA to an accepting employer plan, for IRRs that are direct rollovers, and to report designated Roth nonelective contributions and designated Roth matching contributions for the year in which the contributions are allocated.<br>**Note:** Do not use code G for a direct rollover from a designated Roth account to a Roth IRA. Use code H. | 4, B, or K |
| **H—Direct rollover of a designated Roth account distribution to a Roth IRA.** | Use code H for a direct rollover of a distribution from a designated Roth account to a Roth IRA. | 4 |
| **J—Early distribution from a Roth IRA, no known exception.** | Use code J for a distribution from a Roth IRA or Roth SIMPLE IRA when code Q or T does not apply. But use code 2 for an IRS levy and code 5 for a prohibited transaction. | 8, P, or S |
| **K—Distribution of traditional IRA assets not having a readily available FMV.** | Use code K to report distributions of IRA assets not having a readily available FMV. These assets may include:<br>• Stock, other ownership interest in a corporation, short- or long-term debt obligations, not readily tradable on an established securities market;<br>• Ownership interest in a limited liability company (LLC), partnership, trust, or similar entity (unless the interest is traded on an established securities market);<br>• Real estate;<br>• Option contracts or similar products not offered for trade on an established option exchange; or<br>• Other asset that does not have a readily available FMV. | 1, 2, 4, 7, 8, G, or Y** |

| Guide to distribution codes | | |
|---|---|---|
| **Distribution codes** | **Explanations** | ***Used with code (if applicable)** |
| **L—Loans treated as deemed distributions under section 72(p).** | Do not use code L to report a plan loan offset. See *Loans Treated as Distributions*, earlier. | 1, 2, 4, 7, or B |
| **M—Qualified plan loan offset.** | Use code M for a qualified plan loan offset (which is generally a type of plan loan offset due to severance from employment or termination of the plan). See *Plan loan offsets*, earlier. | 1, 2, 4, 7, or B |
| **N—Recharacterized IRA contribution made for 2026.** | Use code N for a recharacterization of an IRA contribution made for 2026 and recharacterized in 2026 to another type of IRA by a trustee-to-trustee transfer or with the same trustee. | None |
| **P—Excess contributions plus earnings/excess deferrals taxable in 2025 or a previous year.** | See the explanation for code 8. The IRS suggests that anyone using code P for the refund of an IRA contribution under section 408(d)(4), including excess Roth IRA contributions, advise payees, at the time the distribution is made, that the earnings are taxable in the year in which the contributions were made.<br>**Note:** A participant is allowed to take out a prior-year excess contribution when the IRS provides tax relief by postponing the tax filing due date, for example, due to a federally declared disaster. | 1, 2, 4, B, or J |
| **Q—Qualified distribution from a Roth IRA.** | Use code Q for a distribution from a Roth IRA if you know that the participant meets the 5-year holding period and:<br>• The participant has reached age 59½,<br>• The participant died, or<br>• The participant is disabled.<br>**Note:** If any other code, such as 8 or P, applies, use code J. | None |
| **R—Recharacterized IRA contribution made for 2025 or a previous year.** | Use code R for a recharacterization of an IRA contribution made for 2025 and recharacterized in 2026 to another type of IRA by a trustee-to-trustee transfer or with the same trustee.<br>**Note:** A participant is allowed to recharacterize an IRA contribution made for a prior year when the IRS provides tax relief by postponing the tax filing due date, for example, due to a federally declared disaster. | None |
| **S—Early distribution from a SIMPLE IRA in the first 2 years, no known exception.** | Use code S only if the distribution is from a SIMPLE IRA in the first 2 years, the employee/taxpayer has not reached age 59½, and none of the exceptions under section 72(t) are known to apply when the distribution is made. The 2-year period begins on the day contributions are first deposited in the individual's SIMPLE IRA. Do not use code S if code 3 or 4 applies. | J |
| **T—Roth IRA distribution, exception applies.** | Use code T for a distribution from a Roth IRA if you do not know if the 5-year holding period has been met but:<br>• The participant has reached age 59½,<br>• The participant died, or<br>• The participant is disabled.<br>**Note:** If any other code, such as 8 or P, applies, use code J. | None |
| **U—Dividends distributed from an ESOP under section 404(k).** | Use code U for a distribution of dividends from an employee stock ownership plan (ESOP) under section 404(k). These are not eligible rollover distributions.<br>**Note:** Do **not** report dividends paid by the corporation directly to plan participants or their beneficiaries. Continue to report those dividends on Form 1099-DIV. | B |
| **W—Charges or payments for purchasing qualified long-term care insurance contracts under combined arrangements.** | Use code W for charges or payments for purchasing qualified long-term care insurance contracts under combined arrangements that are excludable under section 72(e)(11) against the cash value of an annuity contract or the cash surrender value of a life insurance contract. | 6 |
| **Y—Qualified charitable distribution (QCD) claimed under section 408(d)(8).** | Use code Y for a distribution made directly from an IRA to a charitable organization and that the taxpayer intends to treat as a QCD. For more information about QCDs, see *Pub. 590-B*.<br>**Note:** When using code Y, you must use either code 4, 7, or K. See *Qualified charitable distributions (QCDs)*, earlier.<br>**Note:** For tax year 2026, using code Y is optional. You may choose, but are not required, to use code Y. | 4, 7, or K |

*See the first two *Cautions* for the box 7a. instructions, earlier.

**When reporting a QCD, you must use code Y first with either code 4, 7, or K.

## Specific Instructions for Form 5498

File Form 5498, IRA Contribution Information, with the IRS by May 31, 2027, for each person for whom in 2026 you maintained any individual retirement arrangement (IRA), including a deemed IRA under section 408(q).

**Types of IRAs.** An IRA can be either a traditional IRA or a Roth IRA. In general, individuals may make their own contributions to their traditional IRAs or Roth IRAs. In addition, certain employers have arrangements under which the employer may contribute to IRAs of their employees.

Under a SEP arrangement, an employer contributes to traditional IRAs (sometimes referred to as traditional SEP IRAs) or Roth IRAs (sometimes referred to as Roth SEP IRAs) of its employees. Individuals may separately make

their own contributions to the same IRAs to which their employer contributes under a SEP arrangement.

Under a SIMPLE IRA plan, an employer contributes salary reduction contributions (at the election of the employee), matching contributions, and/or nonelective contributions to traditional IRAs (sometimes referred to as traditional SIMPLE IRAs) or Roth IRAs (sometimes referred to as Roth SIMPLE IRAs) of its employees. However, a SIMPLE IRA (whether a traditional SIMPLE IRA or a Roth SIMPLE IRA) is subject to certain restrictions that do not generally apply to other traditional IRAs or Roth IRAs. For example, an individual cannot make their own contributions to a SIMPLE IRA. In addition, there are various restrictions related to distributions and contributions during the initial 2 years of participation in the SIMPLE IRA plan.

References to traditional IRAs generally include traditional SEP IRAs and traditional SIMPLE IRAs, unless otherwise stated. Likewise, references to Roth IRAs generally include Roth SEP IRAs and Roth SIMPLE IRAs, unless otherwise stated.

An IRA includes all investments under one IRA plan. It is not necessary to file a Form 5498 for each investment under one plan. For example, if a participant has three certificates of deposit (CDs) under one IRA plan, only one Form 5498 is required for all contributions and the fair market values (FMVs) of the CDs under the plan. However, if a participant has established more than one IRA plan with the same trustee, a separate Form 5498 must be filed for each plan.

**Contributions.** You must report contributions to any IRA on Form 5498. See the instructions under boxes 1, 2, 3, 4, 8, 9, 10, 13a, and 14a, later. If no reportable contributions were made for 2026, complete only boxes 5 and 7, and boxes 11, 12a, 12b, 15a, and 15b, if applicable. See *Reporting FMV of certain specified assets*, later.

**Caution:** You are required to file Form 5498 even if required minimum distributions (RMDs) or other annuity or periodic payments have started.

Report contributions to a Kay Bailey Hutchison Spousal IRA under section 219(c) on a separate Form 5498 using the name and TIN of the spouse.

For contributions made between January 1 and April 15, 2027, trustees and issuers should obtain the participant's designation of the year for which the contributions are made.

**Direct rollovers, transfers, and recharacterizations.** You must report the receipt of a direct rollover from a qualified plan, section 403(b) plan, or governmental section 457(b) plan to an IRA. Report a direct rollover in box 2. For information on direct rollovers of eligible rollover distributions, see *Direct Rollovers*, earlier.

If a rollover or trustee-to-trustee transfer is made from a savings incentive match plan for employees (SIMPLE) IRA to an IRA that is not a SIMPLE IRA and the trustee has adequately substantiated information that the participant has not satisfied the first 2 years of plan participation, report the amount as a regular contribution in box 1 even if the amount exceeds $7,500 ($8,600 for participants age 50 or older).

***Transfers.*** Do not report on Form 5498 a trustee-to-trustee transfer from the following.

- A traditional IRA that is not a traditional SIMPLE IRA to another traditional IRA that is not a traditional SIMPLE IRA.
- A traditional IRA that is not a traditional SIMPLE IRA to a traditional SIMPLE IRA after the first 2 years of plan participation.
- A traditional SIMPLE IRA to another traditional SIMPLE IRA.
- A traditional SIMPLE IRA to a traditional IRA after the first 2 years of plan participation.
- A Roth IRA that is not a Roth SIMPLE IRA to another Roth IRA that is not a Roth SIMPLE IRA.
- A Roth IRA that is not a Roth SIMPLE IRA to a Roth SIMPLE IRA after the first 2 years of plan participation.
- A Roth SIMPLE IRA to another Roth SIMPLE IRA.
- A Roth SIMPLE IRA to a Roth IRA after the first 2 years of plan participation.

***Recharacterizations.*** You must report each recharacterization of an IRA contribution. If a participant makes a contribution to an IRA (first IRA) for a year, the participant may choose to recharacterize the contribution by transferring, in a trustee-to-trustee transfer, any part of the contribution (plus earnings) to another IRA (second IRA). The contribution is treated as made to the second IRA (recharacterization). A recharacterization may be made with the same trustee or with another trustee. The trustee of the first IRA must report the amount contributed before the recharacterization as a contribution on Form 5498 and the recharacterization as a distribution on Form 1099-R. The trustee of the second IRA must report the amount received (FMV) in box 4 on Form 5498 and check the type of IRA in box 7.

All recharacterized contributions received by an IRA in the same year must be totaled and reported on one Form 5498 in box 4. You may report the FMV of the account on the same Form 5498 you use to report a recharacterization of an IRA contribution and any other contributions made to the IRA for the year.

**No recharacterizations of conversions made in 2018 or later.** A conversion of a traditional IRA to a Roth IRA, and a rollover from any other eligible retirement plan to a Roth IRA, made in the participant's tax years beginning after December 31, 2017, cannot be recharacterized as having been made to a traditional IRA.

**Catch-up contributions.** Participants who are age 50 or older by the end of the year may be eligible to make catch-up IRA contributions or catch-up elective deferral contributions. The annual IRA regular contribution limit of $7,500 is increased to $8,600 for participants age 50 or older. Catch-up elective deferral contributions reported on Form 5498 may be made under a salary reduction SEP (SARSEP) or under a SIMPLE IRA plan. For 2026, up to $8,000 in catch-up elective deferral contributions may generally be made under a SARSEP, and generally up to $4,000 to a SIMPLE IRA plan. A higher catch-up elective deferral limit may apply to participants who were ages 60 through 63 as of December 31, 2026, or to participants in certain SIMPLE IRA plans. For more information on catch-up elective deferral contributions, see *Pub. 525*, Taxable and Nontaxable Income.

Include any catch-up amounts when reporting contributions for the year in box 1, 8, 9, or 10, or for a prior year in box 13a.

**Roth IRA conversions.** You must report the receipt of a conversion from a traditional IRA to a Roth IRA even if the conversion is with the same trustee. Report the total amount converted from a traditional IRA to a Roth IRA in box 3.

**IRA revocation or account closure.** If a traditional IRA or Roth IRA is revoked during its first 7 days (under Regulations section 1.408-6(d)(4)(ii)) or closed at any time by the IRA trustee pursuant to its resignation or such other event mandating the closure of the account, Form 5498 must be filed to report any regular, rollover, IRA conversion, SEP IRA, or SIMPLE IRA contributions to the IRA. For information about reporting a distribution from a revoked or closed IRA, see *IRA Revocation or Account Closure* under the *Specific Instructions for Form 1099-R*, earlier.

**Total distribution, no contributions.** Generally, if a total distribution was made from an account during the year and no contributions, including rollovers, recharacterizations, or Roth IRA conversion amounts, were made for that year, you need not file Form 5498 or furnish the annual statement to reflect that the FMV on December 31 was zero.

**RMDs.** A traditional IRA owner/participant must begin taking distributions for each calendar year beginning with the calendar year in which the participant reaches age 73 (after December 31, 2022, and before January 1, 2033). The distribution for the 73-year-old must be made no later than April 1 of the following calendar year; RMDs for any other year must be made no later than December 31 of the year. See P.L. 117-328, Div. T, Title III, section 107.

For each IRA you held as of December 31 of the prior year, if an RMD is required for the year, you must provide a statement to the IRA participant by January 31 regarding the RMD using one of two alternative methods described below. You are not required to use the same method for all IRA participants; you can use *Alternative one* for some IRA participants and *Alternative two* for the rest. Under both methods, the statement must inform the participant that you are reporting to the IRS that an RMD is required for the year. The statement can be provided in conjunction with the statement of the FMV.

If the IRA participant is deceased, and the surviving spouse is the sole beneficiary, special rules apply for RMD reporting. If the surviving spouse elects to treat the IRA as the spouse's own, then report with the surviving spouse as the owner. However, if the surviving spouse does not elect to treat the IRA as the spouse's own, then you must continue to treat the surviving spouse as the beneficiary. Until further guidance is issued, no reporting is required for IRAs of deceased participants (except where the surviving spouse elects to treat the IRA as the spouse's own, as described above).

***Alternative one.*** Under this method, include in the statement the amount of the RMD with respect to the IRA for the calendar year and the date by which the distribution must be made. The amount may be calculated assuming the sole beneficiary of the IRA is not a spouse more than 10 years younger than the participant. Use the value of the account as of December 31 of the prior year to compute the amount. See the instructions for boxes 11, 12a, and 12b, later, for how to report.

***Alternative two.*** Under this method, the statement informs the participant that a minimum distribution with respect to the IRA is required for the calendar year and the date by which such amount must be distributed. You must include an offer to furnish the participant with a calculation of the amount of the RMD if requested by the participant.

***Electronic filing.*** These statements may be furnished electronically using the procedures described in part F of the current Pub. 1099.

***Reporting to the IRS.*** If an RMD is required, check box 11. See *Box 11*, later. For example, box 11 is checked on the Form 5498 for a 2027 RMD. You are not required to report to the IRS the amount or the date by which the distribution must be made. However, see the *Caution* following the box 11 instructions, later, for reporting RMDs to participants.

For more details, see Notice 2002-27 on page 814 of I.R.B. 2002-18 at *IRS.gov/pub/irs-irbs/irb02-18.pdf*, as clarified by Notice 2003-3 on page 258 of I.R.B. 2003-2 at *IRS.gov/pub/irs-irbs/irb03-02.pdf*.

**Inherited IRAs.** In the year an IRA participant dies, you, as an IRA trustee or issuer, must generally file a Form 5498 and furnish an annual statement for the decedent and a Form 5498 and an annual statement for each nonspouse beneficiary. An IRA holder must be able to identify the source of each IRA they hold for purposes of figuring the taxation of a distribution from an IRA. Thus, the decedent's name must be shown on the beneficiary's Form 5498 and annual statement. For example, you may enter "Brian Willow as beneficiary of Joan Maple" or something similar that signifies that the IRA was once owned by Joan Maple. You may abbreviate the word "beneficiary" as, for example, "bene."

For a spouse beneficiary, unless the spouse makes the IRA their own, treat the spouse as a nonspouse beneficiary for reporting purposes. If the spouse makes the IRA their own, do not report the beneficiary designation on Form 5498 and the annual statement.

An IRA set up to receive a direct rollover for a nonspouse designated beneficiary is treated as an inherited IRA.

***FMV.*** On the decedent's Form 5498 and annual statement, you must enter the FMV of the IRA on the date of death in box 5. Or you may choose the alternate reporting method and report the FMV as of the end of the year in which the decedent died. This alternate value will usually be zero because you will be reporting the end-of-year valuation on the beneficiary's Form 5498 and annual statement. The same figure should not be shown on both the beneficiary's and decedent's forms. If you choose to report using the alternate method, you must inform the executor or administrator of the decedent's estate of their right to request a date-of-death valuation.

On the beneficiary's Form 5498 and annual statement, the FMV of that beneficiary's share of the IRA as of the end of the year must be shown in box 5. Every year thereafter that the IRA exists, you must file Form 5498 and

furnish an annual statement for each beneficiary who has not received a total distribution of their share of the IRA showing the FMV at the end of the year and identifying the IRA, as described above.

However, if a beneficiary takes a total distribution of their share of the IRA in the year of death, you need not file a Form 5498 or furnish an annual statement for that beneficiary, but you must still file Form 5498 for the decedent.

If you have no knowledge of the death of an IRA participant until after you are required to file Form 5498 (May 31, 2027), you are not required to file a corrected Form 5498 or furnish a corrected annual statement. However, you must still provide the date-of-death valuation in a timely manner to the executor or administrator upon request.

In the case of successor beneficiaries, apply the preceding rules by treating the prior beneficiary as the decedent and the successor beneficiary as the beneficiary. Using the example earlier (Brian Willow as beneficiary of Joan Maple), when that account passes to Brian's successor beneficiary, Maurice Poplar, Form 5498 and the annual statement for Maurice should state "Maurice Poplar as beneficiary of Brian Willow." The final Form 5498 and annual statement for Brian Willow will state "Brian Willow as beneficiary of Joan Maple" and will show the FMV as of the date of Brian's death or year-end valuation, depending on the method chosen.

For more information about the reporting requirements for inherited IRAs, see Rev. Proc. 89-52, 1989-2 C.B. 632.

**Disaster relief reporting.** Special rules apply to tax-favored withdrawals, income inclusion, and repayments for individuals who suffered economic losses as a result of certain major disasters. See *Disaster-Related Relief* in *Pub. 590-B*, for more information.

For information about disaster relief available in your area, including postponements, go to *IRS News Around the Nation*.

See the instructions for boxes 13a through 13c for reporting postponed contributions, later.

**Special reporting for U.S. Armed Forces in designated combat zones.** A participant who is serving in, or in support of, the Armed Forces in a designated combat zone or qualified hazardous duty area has an additional period after the normal contribution due date of April 15 to make IRA contributions for a prior year. The period is the time the participant was in the designated zone or area plus at least 180 days. The participant must designate the IRA contribution for a prior year to claim it as a deduction on the income tax return.

Under section 219(f), combat zone compensation that is excluded from gross income under section 112 is treated as includible compensation for purposes of determining IRA contributions.

A qualifying participant is:

- Serving or has served in a combat zone;
- Serving or has served in a qualifying hazardous duty area; or
- Serving or has served in an active direct support area.

If a qualifying participant designates an IRA contribution for a prior year, other than an IRA contribution made by April 15 for the preceding year, you must report the type of IRA (box 7) and the amount on Form 5498. Report the amount either for (1) the year for which the contribution was made, or (2) a subsequent year. See the instructions for boxes 13a, 13b, and 13c, later.

1. If you report a contribution for 2026 made before April 15, 2027, no special reporting is required. Include the contribution in box 1 or 10 of an original Form 5498 or of a corrected Form 5498 if an original was previously filed.

2. If you report the contribution on Form 5498 in a subsequent year, you must include the year for which the contribution was made, the amount of the contribution, and one of the following indicators.

a. Use "EO13239" for Afghanistan and those countries in direct support, including Djibouti, Jordan, Kyrgyzstan, Pakistan, Somalia, Syria, Tajikistan, Uzbekistan, and Yemen.

b. Use "EO12744" for the Arabian Peninsula, including air space, adjacent waters (the Persian Gulf; the Red Sea; the Gulf of Oman and the Gulf of Aden; the portion of the Arabian Sea that lies north of 10 degrees north latitude and west of 68 degrees east longitude; the total land areas of Iraq, Kuwait, Saudi Arabia, Oman, Bahrain, Qatar, and the United Arab Emirates; Lebanon, and Turkey east of longitude 33.51E), and Jordan, which is in direct support of the Arabian Peninsula.

c. Use "EO13119" or "P.L.106-21" for the Federal Republic of Yugoslavia (Serbia and Montenegro), Albania, Kosovo, the Adriatic Sea, and the Ionian Sea north of the 39th parallel. (**Note:** The combat zone designation for Montenegro and Kosovo (previously a province within Serbia) under Executive Order 13119 remains in force even though Montenegro and Kosovo became independent nations since EO13119 was signed.)

d. Use "P.L.115-97" for the Sinai Peninsula of Egypt.

**Caution:** For additions to, or subtractions from, the list of combat zones or qualified hazardous duty areas implemented by executive orders and public laws, and direct support areas designated by the Secretary of Defense, after the publication date of these instructions, go to *IRS.gov/Form5498*.

***Example.*** For a $4,000 IRA contribution designated by a participant who served under EO13239 for the tax year 2025, enter "4000" in box 13a, "2025" in box 13b, and "EO13239" in box 13c only. Make no entry in box 1 or box 10.

***Repayment of qualified reservist distributions.*** Report any repayment of a qualified reservist distribution as described in section 72(t)(2)(G) in boxes 14a (amount) and 14b (with indicator code "QR").

***Military death gratuities and servicemembers' group life insurance (SGLI) payments.*** Recipients of military death gratuities and SGLI payments may contribute amounts received to a Roth IRA, up to the amount of the gratuity or SGLI payment less any amounts contributed to Coverdell ESAs. Report the amount of the rollover contribution in box 2 only. See section 408A(e)(2) and Notice 2010-15, 2010-06 I.R.B. 390,

available at *IRS.gov/irb/2010-06_IRB#NOT-2010-15*, for more information on limitations.

***Electronic filers.*** You may request an automatic waiver from filing Forms 5498 electronically for combat zone participants by submitting Form 8508, Application for a Waiver from Electronic Filing of Information Returns. Once you have received the waiver, you may report all Forms 5498 for combat zone participants on paper. Alternatively, you may report contributions made by the normal contribution due date electronically and report the contributions made after the normal contribution due date on paper. You may also report prior-year contributions by combat zone participants on a corrected Form 5498 electronically or on paper.

See part F in the current Pub. 1099 for information on how to request a waiver on Form 8508.

**Repayment of qualified disaster distributions.** Report any repayment of a qualified disaster distribution, as described in applicable disaster legislation, in boxes 14a (amount) and 14b (with indicator code "DD").

**Repayment of qualified birth or adoption distributions.** Report any repayment of a qualified birth or adoption distribution as described in section 72(t)(2)(H) in boxes 14a (amount) and 14b (with indicator code "BA").

**Repayment of qualified first-time home purchase distributions.** Report any repayment of a qualified first-time home purchase distribution as described in section 72(t)(2)(F) in boxes 14a (amount) and 14b (with indicator code "HP").

**Repayment of emergency personal expense distributions.** Report any repayment of an emergency personal expense distribution as described in section 72(t)(2)(I) in boxes 14a (amount) and 14b (with indicator code "EP").

**Repayment of eligible distributions to a domestic abuse victim.** Report any repayment of an eligible distribution to a domestic abuse victim as described in section 72(t)(2)(K) in boxes 14a (amount) and 14b (with indicator code "DA").

**Repayment of terminally ill individual distributions.** Report any repayment of a terminally ill individual distribution as described in section 72(t)(2)(L) in boxes 14a (amount) and 14b (with indicator code "TI").

**Reporting FMV of certain specified assets.** Assets held in an IRA that are not readily tradable on an established securities market or option exchange, or that do not have a readily available FMV, must be reported at the FMV determined as of December 31, 2026. See the instructions for boxes 15a and 15b, later.

**Corrected Form 5498.** If you file a Form 5498 with the IRS and later discover that there is an error on it, you must correct it as soon as possible. See part H in the current Pub. 1099. For example, if you reported contributions as rollover contributions in box 2, and you later discover that part of the contribution was not eligible to be rolled over and was, therefore, a regular contribution that should have been reported in box 1 (even if the amount exceeds the regular contribution limit), you must file a corrected Form 5498.

**Statements to participants.** If you are required to file Form 5498, you must provide a statement to each participant by February 1, 2027. The statement must show the value of the participant's account as of December 31, 2026, including information required to be reported in boxes 15a and 15b for hard-to-value assets and RMD, if applicable.

**Note:** Trustees of SIMPLE IRAs must also provide a statement of the account activity by February 1, 2027.

Contribution information for all other types of IRAs must be provided by May 31, 2027. You are not required to provide information to the IRS or to participants as to whether a contribution is deductible or nondeductible. In addition, the participant is not required to tell you whether a contribution is deductible or nondeductible.

If you furnished a statement of the FMV of the account (including information required to be reported in boxes 15a and 15b for hard-to-value assets) and RMD, if applicable, to the participant by February 1, 2027, and no reportable contributions, including rollovers, recharacterizations, or Roth IRA conversions, were made for 2026, you need not furnish another statement (or Form 5498) to the participant to report zero contributions. However, you must file Form 5498 with the IRS by May 31, 2027, to report the December 31, 2026, FMV of the account and the FMV of hard-to-value assets. This rule also applies to beneficiary accounts under the inherited IRA rules, earlier. For more information about the requirement to furnish statements to participants, see part M in the current Pub. 1099.

**Caution:** If you do not furnish another statement to the participant because no reportable contributions were made for the year, the statement of the FMV of the account must contain a legend designating which information is being filed with the IRS.

**Truncating participant's TIN on payee statements.** Pursuant to Regulations section 301.6109-4, all filers of Form 5498 may truncate (replace the first five digits of the nine-digit number with X's or asterisks) a participant's TIN (social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN)) on payee statements. Truncation is not allowed on any documents the filer files with the IRS. A trustee's or issuer's TIN may not be truncated on any form. See part J in the current Pub. 1099.

## Account Number

The account number is required if you have multiple accounts for a recipient for whom you are filing more than one Form 5498. Additionally, the IRS encourages you to designate an account number for all Forms 5498 that you file. See part L in the current Pub. 1099.

## Box 1. IRA Contributions (Other Than Amounts in Boxes 2–4, 8–10, 13a, and 14a)

Enter contributions to a traditional IRA made in 2026 and through April 15, 2027, designated for 2026.

Report gross contributions, including the amount allocable to the cost of life insurance (see *Box 6*, later)

and including any excess contributions, even if the excess contributions were withdrawn. If an excess contribution is treated as a contribution in a subsequent year under section 219(f)(6), do not report it on Form 5498 for the subsequent year. It has already been reported as a contribution on Form 5498 for the year it was actually contributed.

Also include employer contributions to an IRA that are not made pursuant to a SEP arrangement (which include employer contributions that are nominally under a SEP arrangement but that exceed the definite written allocation formula of the SEP arrangement). Such contributions are contributions made by the employee, not by the employer, that are treated as regular IRA contributions subject to the 100% of compensation and $7,500 ($8,600 for participants age 50 or older) limits of section 219. Do not include employer SEP IRA contributions or SARSEP contributions under section 408(k)(6). Instead, include them in box 8.

Also do not include in box 1 employer contributions, including salary deferrals, to a SIMPLE IRA (report them in box 9) and a Roth IRA that is not a Roth SEP IRA or a Roth SIMPLE IRA (report them in box 10). In addition, do not include in box 1 rollovers and recharacterizations (report rollovers in box 2 and recharacterizations in box 4), or a Roth IRA conversion amount (report in box 3).

### Box 2. Rollover Contributions

Enter any rollover contributions (or contributions treated as rollovers) to any IRA received by you during 2026. These contributions may be any of the following.

- A 60-day rollover between Roth IRAs or between other types of IRAs.
- A direct or indirect (within 60 days) rollover from a qualified plan, section 403(b) plan, or governmental section 457(b) plan.
- Any qualified rollover contribution, as defined in section 408A(e) from an eligible retirement plan (other than an IRA) to a Roth IRA.
- A military death gratuity.
- An SGLI payment.

For the rollover of property, enter the FMV of the property on the date you receive it. This value may be different from the value of the property on the date it was distributed to the participant.

For more details, see *Pub. 590-A*.

**Note:** Do **not** use box 2 for extended rollover contributions, including rollovers of qualified plan loan offset amounts after 60 days or any of the following repayments made after 60 days.

- Qualified reservist distributions.
- Qualified disaster distributions.
- Qualified birth or adoption distributions.
- Qualified first-time home purchase distributions.
- Emergency personal expense distributions.
- Terminally ill individual distributions.
- Eligible distributions to domestic abuse victims.

See the instructions for boxes 13a through 13c, 14a, and 14b, later.

### Box 3. Roth IRA Conversion Amount

Enter the amount converted from a traditional IRA to a Roth IRA during 2026. Do not include a rollover from one Roth IRA to another Roth IRA, or a qualified rollover contribution under section 408A(e) from an eligible retirement plan (other than an IRA) to a Roth IRA. These rollovers are reported in box 2.

### Box 4. Recharacterized Contributions

Enter any amounts recharacterized plus earnings from one type of IRA to another.

### Box 5. FMV of Account

Enter the FMV of the account on December 31, 2026. For inherited IRAs, see *Inherited IRAs*, earlier.

**Caution:** Trustees and custodians are responsible for ensuring that all IRA assets (including those not traded on established markets or not having a readily determinable market value) are valued annually at their FMV.

### Box 6. Life Insurance Cost Included in Box 1

For endowment contracts only, enter the amount included in box 1 allocable to the cost of life insurance.

### Box 7. Checkboxes

Check the appropriate box.

**IRA.** Check "IRA" if you are filing Form 5498 to report information about a traditional IRA account.

**SEP.** Check "SEP" if you are filing Form 5498 to report information about a SEP IRA. If you do not know whether the account is a SEP IRA, check the "IRA" box.

**SIMPLE.** Check "SIMPLE" if you are filing Form 5498 to report information about a SIMPLE IRA account. Do not file Form 5498 for a SIMPLE 401(k) plan.

**Roth IRA.** Check "Roth IRA" if you are filing Form 5498 to report information about a Roth IRA account.

**Roth SEP IRA.** Check both "SEP" and "Roth IRA" if you are filing Form 5498 to report information about a Roth SEP IRA.

**Roth SIMPLE IRA.** Check both "SIMPLE" and "Roth IRA" if you are filing Form 5498 to report information about a Roth SIMPLE IRA.

### Box 8. SEP Contributions

Enter employer contributions made to a SEP IRA (including salary deferrals under a SARSEP) during 2026, including contributions made in 2026 for 2025, but not including contributions made in 2027 for 2026. Trustees and issuers are not responsible for reporting the year for which SEP contributions are made. Do not enter employer contributions to an IRA that are not made pursuant to a SEP arrangement (which include employer contributions that are nominally under a SEP arrangement but that exceed the definite written allocation formula of the SEP arrangement). Report any employer contributions to an IRA that are not made pursuant to a SEP arrangement in box 1. Include in box 8 SEP contributions made by a self-employed person to their own account. Also include in box 8 contributions to a Roth SEP IRA.

### Box 9. SIMPLE Contributions

Enter employer contributions, including salary deferrals, made to a SIMPLE IRA during 2026, including contributions made in 2026 for 2025, but not including contributions made in 2027 for 2026. Trustees and issuers are not responsible for reporting the year for which SIMPLE contributions are made. Do not include contributions to a SIMPLE 401(k) plan. Also include in box 9 contributions to a Roth SIMPLE IRA.

### Box 10. Roth IRA Contributions

Enter any contributions made to a Roth IRA (not including a Roth SEP IRA or Roth SIMPLE IRA) in 2026 and through April 15, 2027, designated for 2026. Also enter qualified rollover contributions made from a section 529 qualified tuition program (QTP) to a Roth IRA that are designated for 2026.

Under certain conditions, a beneficiary of a section 529 QTP is permitted to roll over a distribution from the QTP to a Roth IRA for the benefit of the beneficiary. The rollover must be (1) paid through a direct trustee-to-trustee transfer, (2) subject to the Roth IRA annual contribution limit and a $35,000 lifetime limit, and (3) from a section 529 account that has been open for more than 15 years.

However, report Roth IRA conversion amounts in box 3. Report a qualified rollover contribution made under section 408A(e) from an eligible retirement plan (other than an IRA) to a Roth IRA in box 2. Do not include in box 10 contributions to a Roth SEP IRA or Roth SIMPLE IRA.

### Box 11. Check if RMD for 2027

Check the box if the participant must take an RMD for 2027. You are required to check the box for the year in which the IRA participant reaches age 73 even though the RMD for that year need not be made until April 1 of the following year. Then, check the box for each subsequent year an RMD is required to be made.

**Caution:** Boxes 12a and 12b are provided for your use to report RMD dates and amounts to participants. You may choose to complete these boxes, or continue to provide a separate Form 5498, or a separate statement, to report the information required by *Alternative one* or *Alternative two*, earlier. To determine the RMD, see section 401(a)(9) and Regulations section 1.408-8.

### Box 12a. RMD Date

Enter the RMD date if you are using Form 5498 to report the additional information. See *RMDs*, earlier.

### Box 12b. RMD Amount

Enter the RMD amount if you are using Form 5498 to report the additional information under *Alternative one*. See *Alternative one*, earlier.

### Box 13a. Postponed/Late Contrib.

Report the amount of any postponed contribution made in 2026 for a prior year. If contributions were made for more than 1 prior year, each prior year's postponed contribution must be reported on a separate form. Report the amount of a late rollover contribution made during 2026, including rollovers that are (1) certified by participants, (2) qualified plan loan offsets, and (3) related to taxpayers for federally declared disasters. See Rev. Proc. 2020-46, 2020-45 I.R.B. 995, available at *IRS.gov/irb/2020-45_IRB#REV-PROC-2020-46*. If the participant also has a postponed contribution, use a separate Form 5498 to report a late rollover.

### Box 13b. Year

Enter the year for which the postponed contribution in box 13a was made. Leave this box blank for late rollover contributions and rollovers of qualified plan loan offset amounts.

### Box 13c. Code

Enter the reason the participant made the postponed contribution.

- For participants' service in a combat zone, hazardous duty area, or direct support area, enter the appropriate executive order or public law, as defined under *Special reporting for U.S. Armed Forces in designated combat zones*, earlier.
- For participants who are "affected taxpayers," as described in an IRS News Release relating to a federally designated disaster area, enter "FD." (For a repayment of a qualified disaster distribution, use boxes 14a and 14b.)
- For participants who are making a rollover of a qualified plan loan offset amount, enter "PO." See the discussion of qualified plan loan offsets in the second paragraph under *Plan loan offsets* in the Form 1099-R instructions, earlier.
- For participants who have certified that the rollover contribution is late because of one or more of the circumstances listed in section 3.02(2) of *Rev. Proc. 2020-46*, enter "SC."

### Box 14a. Repayments

Enter the amount of any repayment of a qualified reservist distribution, a qualified disaster distribution, a qualified birth or adoption distribution, a qualified first-time home purchase distribution, an emergency personal expense distribution, a terminally ill individual distribution, or an eligible distribution to a domestic abuse victim.

### Box 14b. Code

Enter repayment code:

- "QR" for qualified reservist distribution,
- "DD" for qualified disaster distribution,
- "BA" for qualified birth or adoption distribution,
- "HP" for qualified first-time home purchase distribution,
- "EP" for emergency personal expense distribution,
- "TI" for terminally ill individual distribution, and
- "DA" for eligible distribution to a domestic abuse victim.

### Box 15a. FMV of Certain Specified Assets

Enter the FMV of the investments in the IRA that are specified in the categories identified below.

### Box 15b. Code(s)

Enter the code for the type(s) of investments held in the IRA for which the FMV is reported in box 15a. A maximum of two codes can be entered in box 15b. If more than two codes apply, enter code H.

- A—stock or other ownership interest in a corporation that is not readily tradable on an established securities market.
- B—short- or long-term debt obligation that is not traded on an established securities market.
- C—ownership interest in a limited liability company or similar entity (unless the interest is traded on an established securities market).
- D—real estate.
- E—ownership interest in a partnership, trust, or similar entity (unless the interest is traded on an established securities market).
- F—option contract or similar product that is not offered for trade on an established option exchange.
- G—other asset that does not have a readily available FMV.
- H—more than two types of assets (listed in A through G) are held in this IRA.

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