Comments from author Seymour Goldberg on progress on clarifying IRS Publication 590

“Several months ago I had prepared a letter to the IRS regarding issues involving IRA accounts. The purpose of the letter was to suggest to the IRS a series of recommendations regarding the need to explain to the public and professionals about certain areas of the IRA distribution rules and IRA penalty issues that need to be clarified in IRS Publication 590.

Some of the suggestions made included the need to explain and clarify the post-death required minimum distribution rules that apply to beneficiaries of traditional IRAs and Roth IRAs, the IRS post-death IRS trust compliance rules and a number of other areas that need clarification and explanation.

Congressman Steve Israel was supportive of my recommendations regarding the need to educate the public and professionals about the complex IRA distribution rules and penalty issues. The Congressman sent my letter to the IRS.

Recently the IRS responded and agreed that there was a need to further explain certain technical items in IRS Publication 590 by means of additional examples and by adding clarifying comments in IRS Publication 590.

The IRS is receptive to make changes that help educate the public and professional advisors regarding the IRA rules and how the IRA account holder can avoid IRA penalties.

The IRS should be commended for the positive attitude that the organization has with respect to suggestions made by the private sector.”