

# IRA Excess Contribution Withdrawal



## ✓ Use this form to:

- Withdraw an excess contribution from a Traditional IRA, Rollover IRA, Roth IRA, or Roth Rollover IRA. Review the IRA Excess Contribution Facts on the next page and consult a tax professional before completing this form.

## ✗ Do not use this form to:

- Remove an excess contribution if your tax filing deadline (including extensions) has passed. Complete an [IRA Distribution](#) form or call to remove.
- Recharacterize IRA assets from one IRA type to another IRA type. Use the [IRA Recharacterization](#) form.

## Mail to:

T. Rowe Price  
P.O. Box 17302  
Baltimore, MD 21297-1302

## Express delivery only:

T. Rowe Price Mail Code 17302  
4515 Painters Mill Road  
Owings Mills, MD 21117-4903



This stamp indicates a signature guarantee is required.



This paper clip indicates you may need to attach documentation.

## 1 Owner Information

Name	Social Security Number
Investor Number	Phone

## 2 Excess Contribution Information

By completing this form, I am correcting an excess contribution before (i) my tax filing deadline (including extensions) for the tax year of the excess contribution, or (ii) within 6 months of the due date (excluding extensions) of my filed tax return for the tax year of the excess contribution. T. Rowe Price will remove the excess amount and calculate and remove associated earnings, if any, unless you attach a separate page with your own earnings calculation and check here: ☐

Provide the amount and tax year of the excess contribution.

Type of IRA: ☐ Traditional ☐ Rollover ☐ Roth ☐ Roth Rollover

Excess Amount	Tax Year of Contribution
\$	

The excess and earnings will be removed from the account(s) the contribution(s) was made to based on the allocation percentages of the contribution(s) unless you attach instructions and check here: ☐

Provide an additional account of the same IRA type in case insufficient assets are in the account.

Account Number/Ticker Symbol	Fund/Security Name

## 3 Payment Options

A check will be mailed to the address on file unless you check a box.

- ☐ **Contribution to my existing IRA listed above.** Applied as a current-year contribution (as of date received) up to the IRS contribution limit for the current tax year. Any amount over the limit will be returned by check unless you provide alternative investment instructions. Contribution will be purchased based on the allocation percentages of the original contribution unless additional instructions attached.
- ☐ **Electronic funds transfer (EFT) to bank on file.** Money will be sent via Automated Clearing House (ACH). If bank not on file, call first.

- ☐ **Invest in an existing T. Rowe Price taxable account. A signature guarantee may be required** (If you do not have an existing account please complete a [New Account](#) Form).

☐ Mutual fund account.

☐ Brokerage account. Securities will be transferred in kind.

Account Number	Fund Name

## 4 Signature

I understand that I am responsible for determining the amount of my excess contribution and for requesting the withdrawal of the excess (plus any earnings, if applicable) as calculated under the method prescribed in 26 Code of Federal Regulations (CFR) 1.408-11. I agree to indemnify and hold T. Rowe Price Trust Company, its parent and affiliates, successors, and employees harmless for any claims arising as a result of untrue or inaccurate information supplied by me. I request that the proceeds be redeemed from the account(s) in Section 2. I understand that if there are insufficient assets for the withdrawal in the account(s), the difference will be taken from the alternate account provided in Section 2.



## Signature guarantee required if:

- Proceeds are invested in an account not owned by the IRA owner.

## Signature and Date Required

Owner	Date (mm/dd/yyyy)
X	

You can obtain the Medallion signature guarantee from most banks, savings institutions, or broker-dealers. We cannot accept guarantees from notaries public or non-Medallion guarantors. The level of coverage provided by the guarantor's stamp must cover the dollar amount of the transaction or it may be rejected.

## Medallion Signature Guarantee—Place Medallion Stamp Below

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# IRA Excess Contribution Facts



The information provided is not intended as tax or legal advice. Please consult your tax professional for more information prior to completing this form.

## What Is an Excess Contribution?

The information provided here is only a summary of the excess contribution rules. Each person's situation will vary.

- The amount contributed to your IRA (Traditional, Rollover, Roth, or Roth Rollover) for a taxable year that exceeds the lesser of:
  - 100% of your U.S. earned income for that year, or
  - that year's prescribed contribution limit.
- The amount contributed to your Roth IRA that exceeds the allowable limit based on your Roth modified adjusted gross income (Roth MAGI). Please see IRS Publication 590-A, Contributions to Individual Retirement Arrangements (IRAs), for the specific limitations.
- A 2019 tax year contribution made to a Traditional IRA or Rollover IRA if you have turned age 70 1/2 or older in 2019. As of January 1, 2020, individuals of any age with earned income can contribute to Traditional or Rollover IRA.
- An improper rollover contribution or a contribution based on compensation that is not eligible for an IRA contribution.
- An ineligible IRA conversion that is not recharacterized by the specified deadline (generally, your tax filing deadline, including extensions). Effective January 1, 2018, pursuant to the tax reform bill, a conversion made after 12/31/2017 may not be recharacterized.

## Monitoring Excess Contributions

The IRA owner is responsible for assuring that the amount contributed is not in excess of the prescribed limitations. The IRS may assess the individual taxpayer penalties for failure to meet the rules. For this reason, you should review your account statements carefully and verify the contributions made to your accounts.

## Penalties

If the excess contributions for a year are not withdrawn by the date of your federal tax return for the year (including extensions), you may be subject to a 6% tax. The 6% penalty applies **for each year** the excess remains in the IRA. In addition, the earnings on the excess contribution may be subject to a 10% additional tax if under the age 59½. The additional tax is figured on IRS Form 5329.

You will not be subject to the 6% tax if you withdraw an excess contribution made during a tax year and you also withdraw any interest or other income earned on the excess contribution. You must complete your withdrawal by the date your tax return for that year is due, including extensions. See IRS Publication 590-A for further details.

## Earnings Calculation

You will need to notify T. Rowe Price of the excess amount and the tax year(s) for which the contribution(s) was made. T. Rowe Price will calculate the earnings on the excess contribution, if you have not filed taxes for the tax year the excess was made or will be filing an amended return within six months of the tax deadline, according to the method originally described in IRS Notice 2000-39 and now described in 26 CFR 1.408-11. Earnings include both price fluctuation and fund distributions (dividends and capital gains). This method requires that the excess contribution earnings be calculated based on the entire T. Rowe Price IRA portfolio and not just the individual fund that received the excess.

**For example:** If you made an excess contribution to a Traditional IRA account in fund X, but also have funds Y and Z in your T. Rowe Price Traditional IRA, the earnings for the excess contribution must be

calculated based on the earnings of all three funds for the specified period—even if no contributions were made to the other funds.

The computation period is the period beginning immediately prior to the time the particular contribution was made to the IRA and ending immediately prior to the removal of the contribution being returned.

In the case of multiple contributions to an IRA, the last contribution made to the IRA for a particular taxable year (regardless of which calendar year it was contributed) is deemed to be the contribution that is returned (up to the amount identified by the IRA owner as being an excess contribution).

If earnings must be removed, but you do not want us to calculate the earnings, you may provide us with the associated earnings by attaching additional instructions. By signing the form, you indemnify T. Rowe Price and certify that any information you provide is accurate and true.

**NOTE:** If the excess IRA contribution was made at another financial institution, you must contact that financial institution to obtain the earnings information.

### What if the market value of my IRA portfolio has gone down?

If the overall market value of the IRA type identified on this form has decreased, the entire amount of the original excess contribution may not need to be withdrawn.

### What if the market value of my IRA portfolio has gone up?

If the overall market value of the IRA type identified on this form has increased, the amount of the excess contribution and the applicable earnings must be withdrawn if removing the excess prior to your tax return due date.

### What if I don't have enough money in the account to which I made my original contribution, rollover, or conversion?

If insufficient assets are in the account(s), the difference will be taken from the additional account provided in Section 2.

## Tax Reporting

If you are requesting the removal of the excess contribution near your tax filing deadline, you may want to consider filing for an extension (IRS Form 4868) so you will have all the necessary figures for your return and to ensure that the excess removal is complete.

If you filed your tax return without withdrawing the excess IRA contribution, you may still make the withdrawal no later than six months after your tax return due date (excluding extensions). An amended return must be filed with "Filed pursuant to Section 301.9100-2" written at the top. Report any related earnings and include an explanation of the withdrawal.

IRS Form 1099-R will be issued for the year in which the excess contribution was removed from your IRA. For a withdrawal of an excess contribution, plus earnings, there is a distribution code of either "8" or "P" reported on IRS Form 1099-R. If an excess contribution is removed after the tax filing deadline (without earnings), then a code of "1" or "7" is used, depending on the age of the IRA owner. Code "J" is also entered for withdrawals or removals of excess Roth IRA contributions. These codes are explained in the IRS Instructions for Forms 1099-R and 5498.

IRS Publication 590-A is available through the IRS website at [irs.gov](https://www.irs.gov) or may be ordered by calling the IRS at 800-TAX-FORM (800-829-3676).

You will receive a statement confirming the return of the excess contribution and earnings (if applicable).

