



# EXCESS REMOVAL WORKSHEET

This form is used to assist the trustee or custodian in removing an excess contribution.

## PART 1. ROTH IRA OWNER

Name (First/MI/Last) \_\_\_\_\_  
Social Security Number \_\_\_\_\_  
Date of Birth \_\_\_\_\_ Phone \_\_\_\_\_  
Account Number \_\_\_\_\_ Suffix \_\_\_\_\_

## PART 2. ROTH IRA TRUSTEE OR CUSTODIAN

Name \_\_\_\_\_  
Address Line 1 \_\_\_\_\_  
Address Line 2 \_\_\_\_\_  
City/State/ZIP \_\_\_\_\_

## PART 3. EXCESS CONTRIBUTION INFORMATION

- Excess Contribution Amount \_\_\_\_\_
- Contribution Date \_\_\_\_\_
- Contribution for Tax Year \_\_\_\_\_
- Excess Contribution Reason (Select one)
  - a. **True Excess** (Roth IRA owner's contribution exceeded the annual limit or earned income, or Roth IRA owner exceeded modified adjusted gross income limits.)
  - b. **Deemed Excess** (Roth IRA owner was eligible to make the contribution but is removing the contribution as an excess before the deadline.)

## PART 4. CORRECTION PROCEDURES

The correction procedure used depends on the timing of the removal. The deadline to remove an excess and avoid the excess contribution penalty tax is the Roth IRA owner's federal income tax filing deadline, including extensions (generally no later than October 15) of the year for which the contribution was made.

### EXCESS REMOVED BEFORE DEADLINE

Refer to page 2 for calculation instructions.

- Calculate the net income attributable (NIA) to the excess
- Remove the excess contribution amount and NIA (Total withdrawal amount from page 2) \_\_\_\_\_
- Use the following distribution codes when completing IRS Form 1099-R
  - Excess contribution made during the prior year, use codes P and J
  - Excess contribution made during the current year, use codes 8 and J

### EXCESS REMOVED AFTER DEADLINE

Only true excess contributions may be removed as an excess after the deadline.

- Remove the excess contribution amount (Do not calculate or remove the net income attributable)
- Use the following distribution codes when completing IRS Form 1099-R
  - Roth IRA owner is under age 59½ and not disabled, use code J
  - Roth IRA owner is age 59½ or older or disabled and does not meet the requirements for a qualified distribution, use code T
  - Roth IRA owner is age 59½ or older or disabled and meets the requirements for a qualified distribution, use code Q

Name of Roth IRA Owner \_\_\_\_\_, Account Number \_\_\_\_\_

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**DETERMINING NET INCOME ATTRIBUTABLE**

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When removing an excess contribution before the deadline, the net income attributable to the excess contribution must also be removed.

$$\text{Net Income Attributable} = \frac{\text{Contribution} \times \text{Total Earnings}}{\text{Adjusted Opening Balance}}$$

**CONTRIBUTION**

The amount of the excess contribution to be removed \$ \_\_\_\_\_

**TOTAL EARNINGS**

The total earnings on the Roth IRA are determined in the following manner.

- |   |                 |
|---|-----------------|
| 1. Determine the Roth IRA balance as of the date of withdrawal  | \$ _____        |
| 2. Add the amount of any withdrawals taken after the excess contribution was made and before the excess removal | + \$ _____      |
| 3. Subtract the balance of the Roth IRA immediately before the excess contribution was made                     | - \$ _____      |
| 4. Subtract the excess contribution and all subsequent contributions made before the excess removal             | - \$ _____      |
| 5. Subtract any time deposit (or other investment) penalties that will be applied due to the excess removal     | - \$ _____      |
| <b>TOTAL EARNINGS:</b>  | <b>\$ _____</b> |

**ADJUSTED OPENING BALANCE**

The adjusted opening balance is the balance of the Roth IRA immediately before the excess contribution was made plus the excess contribution and all subsequent contributions made before the excess removal. \$ \_\_\_\_\_

**NET INCOME ATTRIBUTABLE**

$$\frac{\$ \text{_____ (Contribution)} \times \$ \text{_____ (Total Earnings)}}{\$ \text{_____ (Adjusted Opening Balance)}} = \$ \text{_____ (Net Income Attributable)}$$

**TOTAL WITHDRAWAL AMOUNT**

The total amount to be removed equals the contribution amount to be removed plus the net income attributable. \$ \_\_\_\_\_

**Note:** If the net income attributable is negative, reduce the amount of the excess contribution by the net income attributable.