2024 · CAN I MAKE A 529-TO-ROTH IRA TRANSFER?





Start Here

You are eligible to make a Are the beneficiary of your Has the beneficiary made Has the beneficiary Has the 529 account been (or will they make) any 529-to-Roth IRA transfer previously ever received 529 account and the open for at least 15 years? traditional or Roth IRA any other 529-to-Roth IRA to the beneficiary. account owner of the Roth transfers? IRA you plan to transfer to contributions for the tax the same person? year in question? No Yes No Yes Yes No Yes No Would making a Has the dollar amount you 529-to-Roth IRA transfer plan to transfer been in provide meaningful and Be mindful that the total the 529 account for at compelling benefits to the Has the beneficiary had Be mindful that the lifetime limit (per least five years? beneficiary's financial (or will they have) earned amount you can transfer is beneficiary) for receiving situation (e.g., kick-start income for the tax year reduced by any traditional 529-to-Roth IRA transfers Roth savings, avoiding in question? or Roth IRA contributions is \$35,000. Ensure that Roth MAGI limits, etc.), and the beneficiary makes for this transfer won't Yes is that more important to No the tax year in question. exceed that limit before you than using the funds moving forward. in this 529 account for Yes No other qualified education You cannot make a expenses? 529-to-Roth IRA Transfer until the 529 account has Be mindful that the Do you plan to make Consider making a been open for at least 15 additional 529-to-Roth 529-to-Roth IRA transfer of amount vou can transfer years and the dollar No Yes from the 529 account to IRA transfers to other unused funds if it makes amount you are the Roth IRA is limited to sense for your situation. beneficiaries? transferring has been in the beneficiary's earned the account for at least income or Roth IRA five years. contribution limit (whichever is lower). No Yes Be mindful when making Consider using the 529 529-to-Roth IRA transfers account to satisfy other to multiple beneficiaries, qualified education You cannot make a and ensure that the expenses before 529-to-Roth IRA transfer Consider making annual process of switching transferring unused unless the beneficiary of beneficiaries (or owners) systematic 529-to-Roth funds to a Roth IRA. the 529 account and Roth does not jeopardize your transfers to the same IRA owner are the same beneficiary if it makes plan (e.g., accidentally person and they have reset the 15-year clock). sense for your situation. earned income.