

Hays IRA Letter

Note to charity: Personalize letter with parts in bold typeface

**Financial Institution
Office of General Counsel
123 Main Street
City, State, ZIP**

Dear **General Counsel**:

We have been informed that **Favorite Charity** is a beneficiary of an **IRA** of **Jane Doe** -- account number **123-45-678**. Please liquidate the funds held for our benefit in the deceased's account and send them in a lump sum by check within 30 days to our organization at this address: **Favorite Charity, Bequest Administrator, 55 Main Street, Des Moines, Iowa 55555**.

We request that you bypass your company's internal requirement that we must first open an account. **Favorite Charity** is not legally required to open an account (Inherited IRA) to receive our rightful death benefit on our donor's original **IRA**. It is your internal policy for your own convenience, but not a legal requirement. As a beneficiary, we decline to become a "new customer" by opening this account.

We understand that you have these internal requirements for human beneficiaries. However, charitable organizations have different and much easier methods to verify our identity and hence merely mirroring the policies you use for human beneficiaries for charity beneficiaries causes huge delay and overly burdensome paperwork.

First, we are a U.S. recognized tax-exempt charity and have been for **XXX** years. We are not on a suspected terrorist list nor engaged in money laundering. In fact, we are copying the head of the FinCEN agency on this letter.

Second, know that we have no plans to keep our rightful sums at your institution.

Third, according to the attached Ruling from FinCEN, we will not provide the Social Security Number of any person but will provide our charity's EIN. As a nonprofit institution, we are not willing to provide our employees' Social Security numbers in light of the numerous data breaches nationwide and the exposure to identify theft. That is a risk we are not willing to take as it is not necessary to do so under the law. We realize there is no legal requirement to demand an employee's Social Security Number to fulfill your obligations for tax reporting to a charity or anti-terrorism/money laundering due diligence.

You have enough information "to form a reasonable belief that you know our identity" with the following enclosed documents:

1. IRS Form W-9 and W-4R for your tax reporting responsibilities
2. Evidence of our tax-exempt status – further verifiable on-line via IRS Publication 78
3. Corporate resolution
4. Death certificate of account owner

When sending the check, please include a copy of the beneficiary designation on this account and the date of death balance.

If you are not able to issue a computer-generated IRS Form 1099 because your systems won't allow payment to a beneficiary, we will accept one that you have manually produced.

If we are a partial beneficiary of the account, we waive and release all rights to divided future interests or odd shares earned after the date of death and request prompt distribution of our proceeds prior to completion of actions by other beneficiaries.

If you feel you are unable to make this prompt distribution as requested, please have your Legal or Compliance Department provide us with your specific legal basis for holding these funds and not distributing them to us.

Sincerely,

Insert name and contact information of your institution's legal counsel

Enclosures: **IRS Tax Exemption Letter**
 IRS Form W-9 and W-4R
 FinCEN Ruling
 Corporate Resolution
 Death Certificate

cc Senator Ron Wyden, Chair US Senate Finance Committee – sent via fax: 202-228-0554
 Senator Mike Crapo, Ranking Member, US Senate Finance Committee – sent via fax: 202-228-0554
 Patrick McHenry, Chairman of the House Financial Services Committee, – sent via Fax: 828.327.8311
 Jamie Cummins, Tax Counsel, Senate Finance Committee – sent via email:
 jamiescottcummins@gmail.com
 Andrea Gacki, Director, Financial Crimes Enforcement Network (FinCEN)- sent via email:
 FRC@fincen.gov
 _____, **(insert the name of your state's attorney general)** Office of Attorney General