

## Required Minimum Distributions (RMD)

*Updated with SECURE Act provisions*

### What are Required Minimum Distributions?

Required Minimum Distributions (RMDs) generally are minimum amounts that must withdraw annually starting with the later of the calendar year that he or she attains age 72 (70 ½ if you attained 70 ½ before January 1, 2020) or the calendar year in which he or she retires, except that a 5-percent owner must start the year they attain age 72.

### How is the RMD Amount Calculated?

It is calculated by dividing your tax-deferred retirement account (on 12/31) by your life expectancy factor. The life expectancy factor can be found on the IRS Life Expectancy Tables found here – <https://www.irs.gov/retirement-plans/plan-participant-employee/required-minimum-distribution-worksheets>

\*General amounts can be found below in 5 year increments. The rules are different for inherited or beneficiary IRAs.

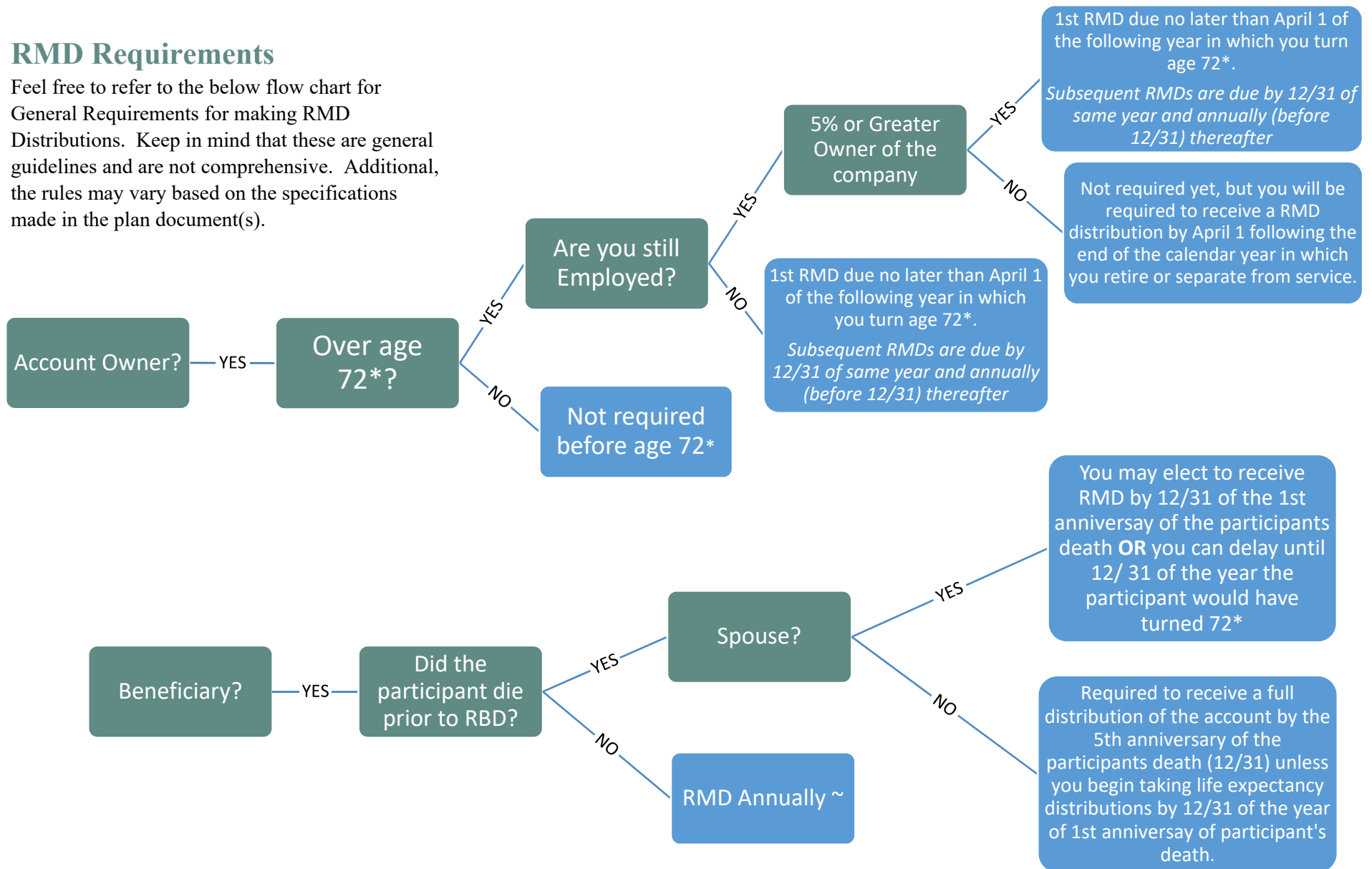
Uniform lifetime table for required minimum distributions								
<b>Age</b>	70	75	80	85	90	95	100	105
<b>Years</b>	27.4	22.9	18.7	14.8	11.4	8.6	6.3	4.5
<b>Min. %</b>	3.6%	4.4%	5.3%	6.8%	8.8%	11.6%	15.9%	22.2%

### When do I begin to take these Distributions?

This is formally called the **Required Beginning Date (RBD)** = the Date by which a person is required to take their first RMD. In the past, this date was always no later than April 1<sup>st</sup> following the calendar year in which they reach age 70.5. On December 20, 2019 the SECURE Act changed the age requirement for the RBD to age 72 for individuals who had not attained age 70.5 by December 31, 2019. For example, if you were born on July 1, 1949, or later, your first RMD is due by April 1<sup>st</sup> of the year after which you turn 72. Your second would be due by December 31<sup>st</sup> of that same year, and then by December 31<sup>st</sup> of each year thereafter.

## RMD Requirements

Feel free to refer to the below flow chart for General Requirements for making RMD Distributions. Keep in mind that these are general guidelines and are not comprehensive. Additional, the rules may vary based on the specifications made in the plan document(s).



\* if that person was 70.5+ in 2019, then replace age 72 with 70.5 in the flow chart

~ You should receive an RMD in the year of death prior to 12/31 if the participant did not fulfill their RMD prior to death.