

# REQUIRED IRA DISTRIBUTIONS



Traditional IRA

## When Must My Required Minimum Distributions (RMDs) Begin?

As the IRA owner you must begin taking RMDs by your required beginning date (RBD). Your RBD is April 1 of the calendar year following the year in which you attain age 72<sup>1</sup>. Each subsequent year's distribution must be made by December 31.

If you do not take a RMD in the year you attain age 72<sup>1</sup>, you must take it by April 1 of the following year. You must also take an RMD for that following year by December 31 of that same year. Thus, both distributions will be taxable in the same year.

An RMD is taxable in the calendar year you receive it.

## How Much Must I Withdraw?

Although you can withdraw any amount desired, you must withdraw a minimum amount.

The RMD amount for any year is calculated by dividing the adjusted account balance (see Minimum Distribution Work Sheet) as of December 31 of the previous year by the applicable life expectancy divisor (also called a distribution period).

## How is the Life Expectancy Divisor Determined?

RMD rules provide two possible life expectancy divisors.

1. Most IRA owners will use the Uniform Lifetime Table, which assumes a joint life expectancy based on an IRA owner's age at the end of a distribution year and a beneficiary ten years younger than the IRA owner.

## Answers to Your Required Minimum Distribution Questions

2. An IRA owner with a spouse who is more than ten years younger than the IRA owner and who is the IRA's sole beneficiary for the entire year will use a joint life expectancy divisor from the Joint and Last Survivor Table based on their ages at the end of a distribution year.

These are the only two methods for determining annual life expectancy divisors (distribution periods) for IRA owners. These tables were updated by the IRS in 2020 to be used to determine RMDs for years beginning January 1, 2022.

## Must an IRA Have a Named Beneficiary(ies) to Use the Uniform Lifetime Table?

It is not necessary to have a named or designated beneficiary to use the Uniform Lifetime Table.

## Can Changing a Beneficiary Have an Impact on the Annual Calculation?

If in any distribution year an IRA owner voluntarily names or removes his/her more than ten years younger spouse as sole beneficiary, he/she will use the Uniform Lifetime Table to calculate an RMD for that year. Generally, the spouse who is more than ten years younger than the IRA owner must be the sole beneficiary for the entire year to allow use of an actual joint life expectancy.

## What is the Penalty for Failure to Remove My RMD?

If you do not withdraw your RMD by the required date, a penalty tax of 50 percent will be assessed on the excess accumulation (the amount of your RMD not withdrawn).

## Are Rollovers or Transfers Allowed During and After I Attain the Age of 72?

Yes, but you cannot roll over an RMD amount. If you roll over an IRA distribution **before** receiving the RMD for the year, the RMD portion of the rollover will be taxable and will be treated as a regular contribution which could result in an excess contribution. You can transfer all or any portion of your IRA provided you satisfy your RMD by the required date.

## What If I Have Multiple IRAs?

The RMD must be calculated separately for each IRA you own. However, you may take the total RMD from any one or a combination of your personal traditional IRAs. This method could be used before a rollover and before or after a transfer in a distribution year.

## What if My Distributions in a Prior Year Exceed the RMD Amount?

If you withdraw more than the RMD amount in a prior year, you cannot apply the excess amount as a credit toward your present year's RMD.

## MINIMUM DISTRIBUTION WORK SHEET

1. IRA account balance as of previous December 31 \$ \_\_\_\_\_
2. Amount of outstanding rollovers\* as of December 31 (+) \$ \_\_\_\_\_
3. Amount of outstanding transfers\* as of December 31 (+) \$ \_\_\_\_\_
4. Amount Treated as Own by a Spouse Beneficiary (the previous December 31 fair market value). (+) \$ \_\_\_\_\_
5. Adjusted aggregate account balance (sum of lines 1 – 4) (=) \$ \_\_\_\_\_
6. Distribution period (see table) (÷) \_\_\_\_\_
7. Required minimum distribution (line 5 divided by line 6) (=) \$ \_\_\_\_\_
8. Distributions taken in current year (–) \$ \_\_\_\_\_
9. Amount required for distribution by your required distribution date (line 7 minus line 8) (=) \$ \_\_\_\_\_

*\*An outstanding rollover is any amount withdrawn at the end of one year and redeposited at the beginning of the next year within 60 calendar days of receipt. For example, an IRA withdrawal on December 1 which is rolled over into an IRA on January 15 is an outstanding rollover. A similar adjustment is required for transfers outstanding on December 31.*

*This work sheet is designed to help you, as an IRA owner, calculate your required minimum IRA distribution. It is intended to act as a guide only in giving an estimate of your RMD amount. For further information, contact your tax professional.*

## 2022 UNIFORM LIFETIME TABLE

Age	Distribution Period	Age	Distribution Period	Age	Distribution Period	Age	Distribution Period
72	27.4	85	16.0	98	7.3	111	3.4
73	26.5	86	15.2	99	6.8	112	3.3
74	25.5	87	14.4	100	6.4	113	3.1
75	24.6	88	13.7	101	6.0	114	3.0
76	23.7	89	12.9	102	5.6	115	2.9
77	22.9	90	12.2	103	5.2	116	2.8
78	22.0	91	11.5	104	4.9	117	2.7
79	21.1	92	10.8	105	4.6	118	2.5
80	20.2	93	10.1	106	4.3	119	2.3
81	19.4	94	9.5	107	4.1	120+	2.0
82	18.5	95	8.9	108	3.9		
83	17.7	96	8.4	109	3.7		
84	16.8	97	7.8	110	3.5		

For additional assistance with RMD calculations, please see your tax professional.

<sup>1</sup> For tax years 2019 and earlier, required minimum distributions had to begin at age 70½.

*This brochure is intended to provide general information on federal tax laws governing required minimum distributions. All information contained herein is intended to act as a guide in giving you an estimate of your required minimum distribution. No part of this brochure is intended to provide recommendations, legal advice, or to be a detailed explanation of the rules or how such rules may apply to your individual circumstances. For specific information, you are encouraged to consult your tax or legal professional. IRS Publication 590-B, Distributions from Individual Retirement Arrangements (IRAs), and the IRS's web site, [www.irs.gov](http://www.irs.gov), may also provide helpful information.*

