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REQUIRED MINIMUM DISTRIBUTIONS (RMDs) TO BENEFICIARY UNDER IRC § 401(a)(9)

Beneficiary	Owner Died Prior to Required Beginning Date	Citation	Owner Died After Required Beginning Date	Citation
Spouse - Inherited IRA (No rollover)	<p>Spouse may defer required distributions until the year the owner would have reached age 70 1/2. In this year, the RMD is calculated based upon spouse's life expectancy by referencing her attained age for the year of distribution based on the Single Life Table of Treas. Reg. § 1.401(a)(9)-9. For each succeeding year, the surviving spouse references his or her age under the Single Life Table for each particular year.</p> <p>Upon the death of the surviving spouse: (1) If the surviving spouse dies prior to the end of the year in which the owner would have been age 70 1/2, the spouse is deemed to be the owner/participant and a beneficiary is determined as of September 30th of the year following the year of the spouse's death. In this following year, such beneficiary must begin to receive RMDs based upon his or her corresponding life expectancy under the Single Life Table. For each succeeding year, the initial factor is reduced by one for each subsequent year. (2) If the surviving spouse dies on or after the end of the year in which the owner would have reached age 70 1/2, an RMD for the current year must be taken. Thereafter, RMDs are calculated based upon the now deceased spouse's life expectancy by reference to his or her attained age in the year of death by reference to the Single Life Table. For each succeeding year, the initial factor is reduced by one for each subsequent year.</p>	<p>Treas. Reg. § 1.401(a)(9)-3 Q&A 3(b)</p> <p>Treas. Reg. § 1.401(a)(9)-3 Q&A 5; Treas. Reg. § 1.401(a)(9)-4 Q&A 4(b); and Treas. Reg. § 1.401(a)(9)-5 Q&A 5(c)(2)</p>	<p>RMD for year of death must be taken based upon decedent's life expectancy factor under the Uniform Lifetime Table (if not already taken by the decedent during his/her lifetime). Thereafter, the applicable distribution period is longer of: (1) the surviving spouse's life expectancy based on the Single Life Table using the surviving spouse's birthday for each distribution calendar year after the calendar year of the decedent's death up through the calendar year of the spouse's death. For each succeeding year, this process is repeated based on the surviving spouse's attained age in that particular year; or (2) the life expectancy of the deceased spouse under the Single Life Table using the age of the deceased spouse as of his or her birthday in the year of death, whereby in subsequent years, this initial factor is reduced by one for each subsequent year.</p> <p>Upon death of the surviving spouse, the RMD determined above must be withdrawn for the year of death (if not already taken by the spouse during his/her lifetime). For subsequent years, the RMD factor is fixed based upon the method employed above. If surviving spouse's life expectancy is being used, his or her life expectancy is now fixed based upon the age of this spouse in the year of death by reference to the Single Life Table. For each succeeding year, the initial factor is reduced by one for each subsequent year.</p>	<p>Treas. Reg. § 1.401(a)(9)-5 Q&A 5.</p> <p>Treas. Reg. § 1.401(a)(9)-5 Q&A 5(c)(2)</p>
Spouse - Rollover	RMDs begin the year the spouse reaches age 70 1/2 (subject to deferral to 4/1 of year following). If the spouse is already age 70 1/2, RMDs begin by December 31st of the year of the rollover. For such years, RMDs based upon spouse's life expectancy factor determined under the Uniform Lifetime Table for each particular year.	Treas. Reg. § 1.408-8 Q&A 5(a)	RMD must be taken for year of decedent's death based upon decedent's age in year of death under the Uniform Lifetime Table (if not already taken by the decedent during his/her lifetime). Future year RMDs are based upon surviving spouse's life expectancy factor by reference to the Uniform Lifetime Table in each particular year.	Treas. Reg. § 1.408-8 Q&A 5(a)
Non-Spouse Individual Designated Beneficiary	The first year distribution (year after the year of death) is determined based upon corresponding life expectancy factor for the designated beneficiary's age in the year of the first distribution by reference to the Single Life Table. For succeeding years, this initial factor is reduced by one for each subsequent year.	Treas. Reg. § 1.401(a)(9)-3 Q&A 1(a); and Treas. Reg. § 1.401(a)(9)-3 Q&A 3(a). See also Treas. Reg. § 1.401(a)(9)-4 Q&A 4(a).	RMD must be taken for year of decedent's death based upon decedent's age in year of death (if not already taken by the decedent during his/her lifetime). The first year distribution (year after the year of death) is determined based upon corresponding life expectancy factor for the designated beneficiary's (or the owner's, if the owner was younger than the designated beneficiary) age in the year of the first distribution by reference to the Single Life Table. For succeeding years, this initial factor is reduced by one for each subsequent year.	Treas. Reg. § 1.401(a)(9)-5 Q&A 5(a)(1). See also Treas. Reg. § 1.401(a)(9)-4 Q&A 4(a).

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REQUIRED MINIMUM DISTRIBUTIONS (RMDs) TO BENEFICIARY UNDER IRC § 401(a)(9)

Beneficiary	Owner Died Prior to Required Beginning Date	Citation	Owner Died After Required Beginning Date	Citation
Multiple Individual Beneficiaries	As long as the account is segregated into separate accounts no later than December 31st of the year following the year of death, each beneficiary may independently calculate RMDs. Thus, with respect to each beneficiary, the first year distribution (year after the year of death) is determined based upon corresponding life expectancy factor for the beneficiary's age in the year of the first distribution by reference to the Single Life Table. For succeeding years, this initial factor is reduced by one for each subsequent year.	Treas. Reg. § 1.401(a)(9)-3 Q&A 1(a); Reg. § 1.401(a)(9)-3 Q&A 3(a); Treas. Reg. § 1.401(a)(9)-5 Q&A 7(a); See also Treas. Reg. § 1.401(a)(9)-8 Q&A 2 & Q&A 3.	RMD must be taken for year of decedent's death based upon decedents age in year of death (if not already taken by the decedent during his/her lifetime). Thereafter, as long as the account is segregated into separate accounts no later than December 31st of the year following the year of death, each beneficiary may independently calculate RMDs. Thus, with respect to each beneficiary, the first year distribution is determined based upon corresponding life expectancy factor for the beneficiary's age in the year of the first distribution by reference to the Single Life Table. For succeeding years, this initial factor is reduced by one for each subsequent year.	Treas. Reg. § 1.401(a)(9)-5 Q&A 5(c)(1); Treas. Reg. § 1.401(a)(9)-5 Q&A 7(a); See also Treas. Reg. § 1.401(a)(9)-8 Q&A 2 & Q&A 3.
Designated Beneficiary Trust	The first year distribution (year after the year of death) is determined based upon corresponding life expectancy factor for the oldest trust beneficiary's age in the year of the first distribution by reference to the Single Life Table. For succeeding years, this initial factor is reduced by one. If the trust is designed to create "one pot" for the benefit of multiple beneficiaries, RMDs are based upon the oldest trust beneficiary's life expectancy. However, if the Beneficiary Designation is payable to separate sub-trusts, each separate sub-trust beneficiary may be able to use their respective life expectancies to calculate RMDs. <i>A PLR should be requested if separate share treatment is desired.</i>	Treas. Reg. § 1.401(a)(9)-3 Q&A 1(a); Treas. Reg. § 1.401(a)(9)-3 Q&A 3(a); Treas. Reg. § 1.401(a)(9)-5 Q&A 7(a); See also Treas. Reg. § 1.401(a)(9)-8 Q&A 2 & Q&A 3. See PLRs 200317041, 200317043 and 200317044 for separate shares in relation to a trust. See also PLRs 200228025 and 200235039.	RMD must be taken for year of decedent's death based upon decedents age in year of death (if not already taken by the decedent during his/her lifetime). The first year distribution is determined based upon corresponding life expectancy factor for the oldest trust beneficiary's age in the year of the first distribution by reference to the Single Life Table. For succeeding years, this factor is reduced by one for each subsequent year. If the trust is designed to create "one pot" for the benefit of multiple beneficiaries, RMDs are based upon the oldest trust beneficiary's life expectancy. However, if the Beneficiary Designation is payable to separate sub-trusts, each separate sub-trust beneficiary may be able to use their respective life expectancies to calculate RMDs. <i>A PLR should be requested if separate share treatment is desired.</i>	Treas. Reg. § 1.401(a)(9)-5 Q&A 5(c)(1); Treas. Reg. § 1.401(a)(9)-5 Q&A 7(a); See also Treas. Reg. § 1.401(a)(9)-8 Q&A 2 & Q&A 3. See PLRs 200317041, 200317043 and 200317044 for separate shares in relation to a trust. See also PLRs 200228025 and 200235039.
Non Designated Beneficiary Trust	Entire balance must be distributed no later than December 31st of the year containing the fifth anniversary of the decedent's death. However, consider the potential to cash out non-individual beneficiaries where, and if, possible to save designated beneficiary status of trust.	Treas. Reg. § 1.401(a)(9)-3 Q&A 1(a) & Q&A 2. See PLRs 200228025 and 200235039.	RMD must be taken for year of decedent's death based upon decedents age in year of death based on the Uniform Lifetime Table (if not already taken by the decedent during his/her lifetime). For succeeding years, determine initial factor by referencing the owner's age in year of death in the Single Life Table. The initial factor is then reduced by one for each subsequent year. However, consider the potential to cash out non-individual beneficiaries where and if possible.	Treas. Reg. § 1.401(a)(9)-5 Q&A 5(c)(3). See PLRs 200228025 and 200235039.
Charity	Entire balance must be distributed no later than December 31st of the year containing the fifth anniversary of the decedent's death. However, consider the potential to cash out the charity or segregate interests where multiple beneficiaries exist.	Treas. Reg. § 1.401(a)(9)-3 Q&A 1(a) & Q&A 2	RMD must be taken for year of decedent's death based upon decedents age in year of death based on the Uniform Lifetime Table (if not already taken by the decedent during his/her lifetime). For succeeding years, determine initial factor by referencing the owner's age in year of death in the Single Life Table. The initial factor is then reduced by one for each subsequent year. However, consider the potential to cash out the charity or segregate interests where multiple beneficiaries exist.	Treas. Reg. § 1.401(a)(9)-5 Q&A 5(c)(3).

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Beneficiary	Owner Died Prior to Required Beginning Date	Citation	Owner Died After Required Beginning Date	Citation
Estate	Entire balance must be distributed no later than December 31st of the year containing the fifth anniversary of the decedent's death.	Treas. Reg. § 1.401(a)(9)-3 Q&A 1(a) & Q&A 2. See also Treas. Reg. § 1.401(a)(9)-4 Q&A 3.	RMD must be taken for year of decedent's death based upon decedent's age in year of death based on the Uniform Lifetime Table (if not already taken by the decedent during his/her lifetime). For succeeding years, determine initial factor by referencing the owner's age in year of death in the Single Life Table. The initial factor is then reduced by one for each subsequent year.	Treas. Reg. § 1.401(a)(9)-5 Q&A 5(c)(3). See also Treas. Reg. § 1.401(a)(9)-4 Q&A 3.
Conduit Trust for the Benefit of Spouse	<p>During the life of the surviving spouse: Spouse may defer required distributions until the end of the year the owner would have reached age 70 1/2. In this year, the RMD is calculated based upon spouse's life expectancy by referencing her attained age for the year of distribution based on the Single Life Table. For each succeeding year, the surviving spouse references his or her age for that particular year under the Single Life Table.</p> <p>Upon the death of the surviving spouse: (1) If the surviving spouse dies prior to the end of the year in which the owner would have been age 70 1/2, the spouse is deemed to be the owner/participant and a beneficiary is determined as of September 30th of the year following the year of death. In this following year, such beneficiary must begin to receive RMDs based upon his or her corresponding life expectancy under the Single Life Table. For each succeeding year, the initial factor is reduced by one for each subsequent year. If the surviving spouse has no designated beneficiary, the five year rule applies. In PLR 200644022, the IRS held that the spouse did not have a designated beneficiary even though the trust for her benefit had contingent beneficiaries. (2) If the surviving spouse dies on or after the end of the year in which the owner would have reached age 70 1/2, an RMD for the current year must be taken. Thereafter, RMDs are calculated based upon the now deceased spouse's life expectancy by reference to his or her attained age in the year of death by reference to the Single Life Table. For each succeeding year, the initial factor is reduced by one for each year that has passed.</p>	PLR 200644022.	<p>During the life of the surviving spouse: RMD for year of death must be taken based upon decedent's life expectancy factor under the Uniform Lifetime Table (if not already taken by the decedent during his/her lifetime). Thereafter, the applicable distribution period is longer of: (1) the surviving spouse's life expectancy based on the Single Life Table using the surviving spouse's birthday for each distribution calendar year after the calendar year of the decedent's death up through the calendar year of the spouse's death. For each succeeding year, this process is repeated based on the surviving spouse's attained age in that particular year; or (2) the life expectancy of the deceased spouse under the Single Life Table using the age of the deceased spouse as of his or her birthday in the year of death, whereby in subsequent years, this initial factor is reduced by one for each subsequent year.</p> <p>Upon death of the surviving spouse, the RMD determined above must be withdrawn for the year of death (if not already taken by the spouse during his/her lifetime). For subsequent years, the RMD factor is fixed based upon the method employed above. If surviving spouse's life expectancy is being used, his or her life expectancy is now fixed based upon the age of this spouse in the year of death by reference to the Single Life Table. For each succeeding year, the initial factor is reduced by one for each subsequent year.</p>	

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