

# More Changes for RMDs

## Learn how new guidance has affected RMDs

### Increased RMD Age

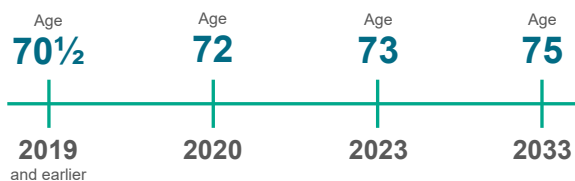
In 2019, the SECURE Act made several changes to the rules for retirement plans and IRAs, including raising the applicable RMD age from 70½ to 72. In 2022, the IRS released proposed regulations that revised long-standing RMD rules and provided guidance on certain SECURE Act provisions. Congress also passed the SECURE 2.0 Act, which increased the applicable RMD age again from age 72 to age 73 in 2023, and then to age 75 in 2033 (or the year of retirement, if later, for certain plan participants who are not five percent owners).

### RMD Age Clarification

The SECURE 2.0 Act included a drafting error indicating that individuals born in 1959 must take an RMD starting at two different times—when they reach age 73 and age 75. Proposed RMD regulations, released in July 2024, confirm that an individual born in 1959 has an RMD age of 73, and an individual born in 1960 has an RMD age of 75.



### RMD Age Changes



### Designated Roth Account Assets

The SECURE 2.0 Act also exempts designated Roth account assets in 401(k), 403(b), and governmental 457(b) plans from pre-death RMD rules. As a result, designated Roth account assets will no longer be included in the RMD calculation. This provision applies to pre-death RMDs due for 2024 and later tax years.

In addition to releasing proposed RMD regulations in 2024, the IRS also released final RMD regulations, that, among other things, address the RMD rules for designated Roth account assets.

The 2024 final RMD regulations state that if an account owner's entire interest in a defined contribution plan is in a designated Roth account, then he will be treated as if he died before the required beginning date—regardless of his actual age at the time of death.

The 2024 proposed RMD regulations clarify that distributions from designated Roth accounts

- cannot be used to satisfy RMDs, and
- are eligible rollover distributions because they are not considered RMDs.

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