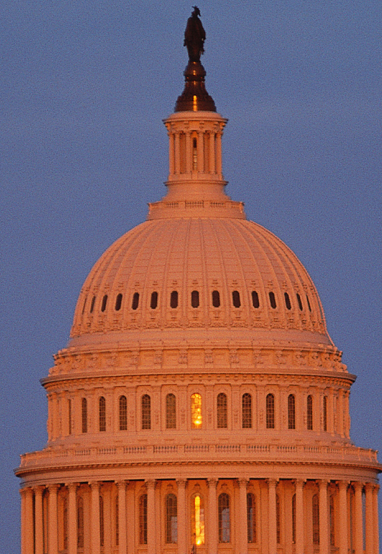




TaxNewsFlash

United States



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Proposed regulations: Required minimum distributions (text of regulations)

The U.S. Treasury Department and IRS today released for publication in the Federal Register a notice of proposed rulemaking (REG-105954-20) relating to required minimum distributions from:

- Qualified plans
- Section 403(b) annuity contracts, custodial accounts, and retirement income accounts
- Individual retirement accounts and annuities
- Eligible deferred compensation plans under section 457

The [proposed regulations](#) [PDF 468 KB] (64 pages as published in the Federal Register on February 24, 2022) are being proposed to update the regulations to reflect the amendments made to section 401(a)(9) by provisions of the “Setting Every Community Up for Retirement Enhancement Act of 2019” (SECURE Act), enacted on December 20, 2019, as Division O of the “Further Consolidated Appropriations Act of 2019,” Pub. L. No. 116-94. Read [TaxNewsFlash](#) [PDF 1 MB]

Background

The SECURE Act includes a variety of provisions intended to expand and preserve retirement savings, as well as “administrative improvements.” For example, provisions include:

- Repeal of the maximum age for allowing contributions to a traditional IRA
- Required minimum distributions start at age 72 years instead of age 70.5
- Restricted the ability to “stretch” required minimum distributions over a beneficiary’s life expectancy
- Increased automatic contribution limits to 15%

Proposed regulations

The proposed regulations address the changes to required minimum distributions during both the employee’s life and after death.

The proposed regulations also are being released to:

- Update several existing regulations under sections 401(a)(9), 402(c), 403(b), 457, and 4974 to reflect statutory amendments that have been made since those regulations were last issued
- Clarify certain issues that have been raised in public comments and private letter ruling requests
- Replace the question-and-answer format of the existing regulations under sections 401(a)(9), 402(c), 408, and 4974 with a standard format

With today's release, regulations that were proposed in July 1981 are being withdrawn.

Comments and outlines of topics to be discussed at the public hearing scheduled for June 15, 2022, at 10:00 a.m., must be received by May 25, 2022.

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