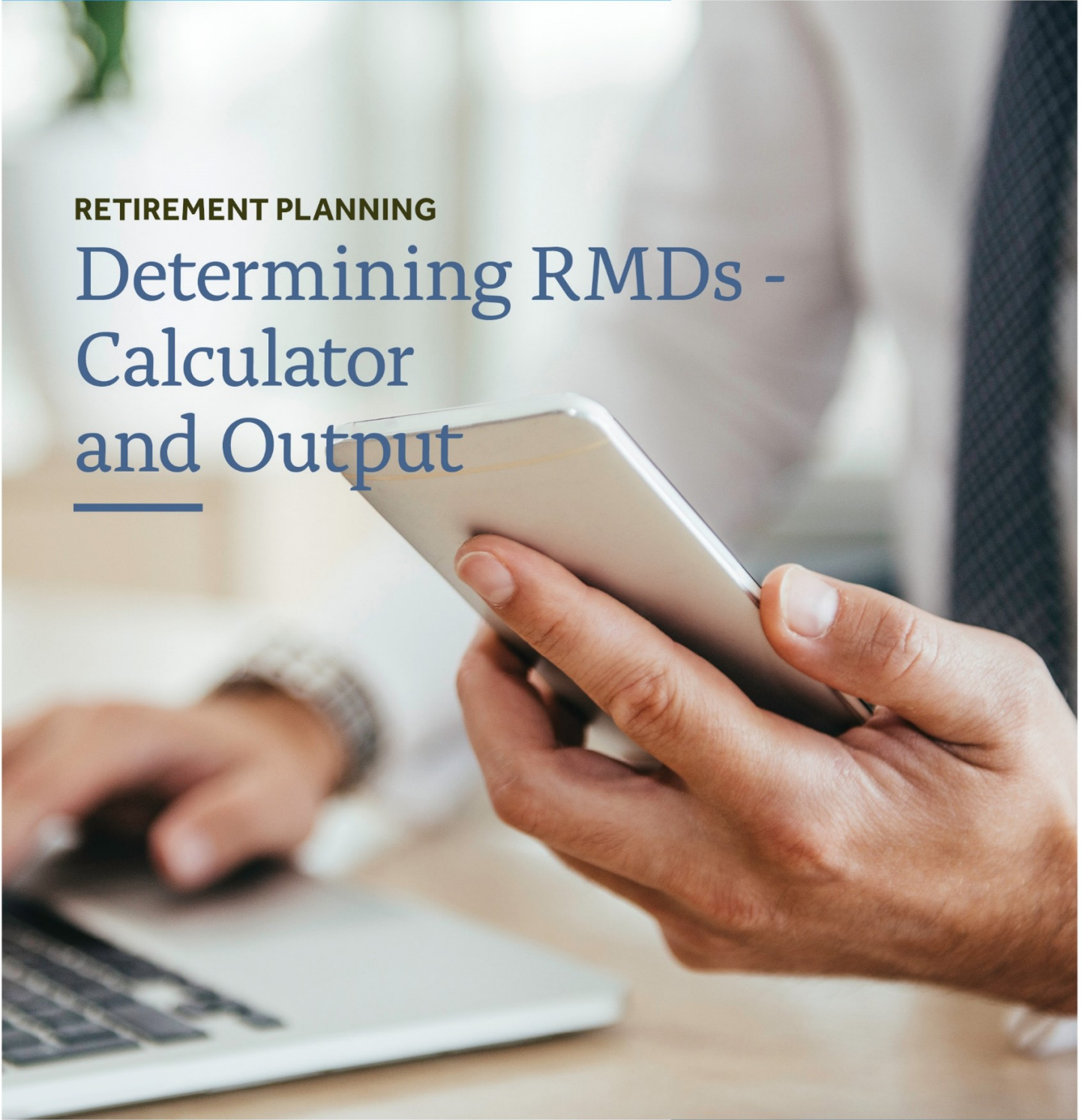


RETIREMENT PLANNING

# Determining RMDs - Calculator and Output

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# Determining Required Minimum Distributions

Though qualified retirement plans and individual retirement accounts (IRAs) provide a tax-efficient means to save for retirement, Congress was wary of enabling individuals to defer tax liability indefinitely. Required minimum distributions, sometimes referred to as RMDs or minimum required distributions, are amounts that the federal government requires you to withdraw annually from traditional IRAs and employer retirement plans after you reach a certain age, or in some cases, retire.

Prior to passage of the SECURE Act legislation in 2019, RMDs were generally required to start after reaching age 70½. The 2019 legislation changed the required starting age to 72 for those who had not yet reached age 70½ before January 1, 2020. The "SECURE 2.0" legislation enacted in December 2022 raises the beginning age for RMDs to 73 for those who reach age 72 after 2022. It also increases the age again, to 75, starting in 2033.

To determine the amount of the required distribution, the balance of the account on December 31st of the prior year is divided by a life expectancy factor (referred to as the applicable distribution period) as provided in the Uniform Lifetime Table or the Joint and Last Survivor Table. Both tables are published by the IRS. The Uniform Lifetime Table is used unless the individual's sole beneficiary is a spouse who is more than 10 years younger. You can withdraw more than the minimum amount from your IRA or plan in any year, but if you withdraw less than the required minimum, you will be subject to a federal tax penalty.

The following chart provides an estimation of required minimum distributions assuming the following factors:

- Current age is **73**;
- Spousal beneficiary's age is **65**;
- Account balance on December 31st of the prior year was **\$2,000,000**; and
- Account balance grows annually at **5%**.

Please note, this is an estimate only. Consult with your personal advisor to determine the actual required distribution.

Age	Required Minimum Distribution	Age	Required Minimum Distribution	Age	Required Minimum Distribution
73	\$75,472	88	\$143,685	103	\$131,624
74	\$79,393	89	\$149,087	104	\$119,804
75	\$83,185	90	\$153,303	105	\$107,954
76	\$87,152	91	\$157,435	106	\$96,154
77	\$90,900	92	\$161,444	107	\$82,435
78	\$95,218	93	\$165,280	108	\$69,858
79	\$99,731	94	\$167,107	109	\$58,435
80	\$104,446	95	\$168,515	110	\$48,168
81	\$108,807	96	\$167,412	111	\$37,897
82	\$113,924	97	\$167,841	112	\$29,513
83	\$118,590	98	\$165,312	113	\$23,468
84	\$124,131	99	\$162,030	114	\$17,640
85	\$129,096	100	\$155,448	115	\$13,078
86	\$134,192	101	\$148,194	116	\$9,552
87	\$139,411	102	\$140,255	117	\$6,863

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