

IRS publishes new required minimum distribution (RMD) tables

Annuities

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Your clients' RMD amounts are changing for 2022.

The IRS recently updated their Uniform Lifetime Table which determines the life expectancy factors used when calculating RMDs. These changes apply to distributions for 2022 on.

The updated tables reflect a trend toward longer life spans. The smaller distribution requirements mean income can be withdrawn over a greater number of years, helping lessen the chance of running out of money if a client lives beyond their life expectancy. The smaller amounts may also help reduce their annual tax burden.

New RMD factors have been set for all three tables issued by the IRS. These include the:

- Uniform Lifetime Table is the default table used by most plan participants or IRA owners.
- Joint and Last Survivor Table, used if a spouse is the sole beneficiary and is more than 10 years younger than the account holder.
- Single Life Table, used for beneficiaries of plans, IRAs (traditional and Roth), and nonqualified annuities.

All three amended tables can be found within the recently published IRS rule: <https://www.govinfo.gov/content/pkg/FR-2020-11-12/pdf/2020-24723.pdf>

Plan participants and IRA owners generally must begin taking RMDs when they turn age 72. Calculations are based on the balance of a person's qualified accounts and their life expectancy factor. **This flyer** helps provide guidance on how to calculate a client's RMD total.

If your client is receiving automated RMD payments, we will calculate their updated distribution amount on their behalf. These changes will be reflected in their 2022 distributions.

Please contact **Scott Van Wyngarden**, 1-515-247-6785, if you have any questions on these changes.

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