



ED SLOTT'S IRA ADVISOR

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Non-Spouse Inherited IRA FAQs

In just over three years, the magnitude of changes to the required minimum distribution (RMD) rules for inherited IRAs has been nothing short of remarkable. For example:

- [The SECURE Act](#), enacted in December 2019, eliminated the stretch IRA for most non-spouse beneficiaries who inherit after 2019 and replaced it with a 10-year payment requirement. The SECURE Act also created an entirely new class of beneficiaries called "eligible designated beneficiaries (EDBs)."
- Effective for 2022 RMDs, the IRS updated the Single Life Expectancy Table used to calculate inherited IRA required distributions. The Uniform Life and Joint Life Tables for lifetime RMDs were also updated. (The "IRA and Tax Tables" can be downloaded from irahelp.com/2023.)
- In February 2022, the IRS issued proposed SECURE Act regulations ([REG-105954-20](#)) which require beneficiaries who are subject to the 10-year rule to also take annual RMDs in years 1-9 of the 10-year period if the retirement account owner died on or after his required beginning date (RBD).
- In October 2022, the IRS released [Notice 2022-53](#) which waived (what was at that time) the 50% penalty for missed 2021 and 2022 RMDs for those originally subject to the annual RMD requirement within the 10-year period.
- In December 2022, the SECURE 2.0 Act was passed into law as part of the [Consolidated Appropriations Act of 2023](#). Among other items, this legislation delayed the RBD for certain retirement account owners, reduced the penalty for missed RMDs, and established a 3-year statute of limitations for the IRS to assess penalties for missed RMDs.

Considering the number of changes in such a short period, it is no surprise that a great deal of confusion has ensued. And as these changes have unfolded, we have fielded thousands of questions. Here, we have consolidated some of the most frequently asked questions (FAQs) regarding non-spouse inherited IRA RMDs. Also included are FAQs on other non-spouse inherited IRA issues. (**Note:** *Spouse beneficiaries have their own rules to which they must abide. Guidelines for spouse beneficiaries are not the focus here.*)

1. Who takes the year-of-death RMD, how is it divided among beneficiaries, and when is the deadline?

Before we can even begin to discuss the non-spouse beneficiary payout rules, we must first address how to handle the year-of-death RMD. Lifetime RMDs are due starting in the year when an IRA owner turns age 73 (or 70½ or 72 previously). However, the RBD for RMDs is not until April 1 of the year after the year a person turns age 73.

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