2023 · WHAT ISSUES SHOULD I CONSIDER WHEN REVIEWING MY RMD?

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GENERAL RMD ISSUES	YES	NO
Is your RMD more than what you need for living expenses? If so, consider transferring your RMD to a non-qualified account for re-investment rather than sitting idly in cash (unless your emergency fund needs replenishing).	☐	☐
If you have other retirement accounts subject to RMDs, do you need to verify that those RMDs will be satisfied?	☐	☐
Is the value of your qualified account significantly up or down due to current market conditions? If so, consider accelerating withdrawals (e.g., taking RMD early, taking RMD in a larger lump sum, etc.) to lock in gains, or spreading out (or delaying) withdrawals to potentially mitigate selling assets at lower share prices.	☐	☐
Is this an account you have inherited? If so, be mindful of the unique RMD rules that may apply as a result of the SECURE Act, such as the 10-year rule, which requires non-eligible designated beneficiaries to have the entire balance of the account withdrawn in 10 years following the death of the account owner.	☐	☐
Are you eligible for any exceptions (e.g., you are still working and contributing to the employer-sponsored account, this is the first year you are subject to an RMD, etc.)? If so, consider some of the planning options that may allow you to mitigate or postpone your RMD.	☐	☐

RMD-RELATED TAX ISSUES	YES	NO
Do you need to review your tax withholding to ensure that it is still accurate?	☐	☐
Do you plan to make any Roth conversions during this tax year? If so, consider earmarking your RMD as a method of withholding taxes (even up to 100%) to help fund the tax liability incurred by the Roth conversion, but be mindful that your RMD must be taken before any Roth conversions can occur.	☐	☐
Have you recognized large amounts of taxable portfolio income (e.g., capital gains, dividends, interest, etc.) during this tax year? If so, consider earmarking your RMD as a method of withholding taxes (even up to 100%) to supplement any missed and/or inadequate quarterly tax payments and to avoid under-payment penalties.	☐	☐
Are you currently 70.5 or older and planning to give to charity this tax year? If so, consider making a Qualified Charitable Deduction (QCD) as a tax-efficient way to donate. Remember that QCDs do not affect your AGI, which may complement other areas of your tax planning goals. Be mindful of the requirements surrounding QCDs (e.g., $100,000 limit, must be a qualified charity, etc.).	☐	☐

Required Disclosures

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Traditional IRA account owners have considerations to make before performing a Roth IRA conversion. These primarily include income tax consequences on the converted amount in the year of conversion, withdrawal limitations from a Roth IRA, and income limitations for future contributions to a Roth IRA. In addition, if you are required to take a required minimum distribution (RMD) in the year you convert, you must do so before converting to a Roth IRA.

A Roth IRA offers tax deferral on any earnings in the account. Qualified withdrawals of earnings from the account are tax-free. Withdrawals of earnings prior to age 59 ½ or prior to the account being opened for 5 years, whichever is later, may result in a 10% IRS penalty tax.

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