



PREMIERE SELECT®

# A guide for managing your IRA inheritance

Maximize your inherited IRA and enhance your financial security

Make the most of your inheritance by taking  
advantage of continued tax-deferred growth potential.



## Receiving an inheritance can be a financial windfall.

The same is true when you inherit an Individual Retirement Account (IRA). One of the benefits of an inherited IRA is your ability to take advantage of continued tax-deferred growth.

With the implementation of the Setting Every Community Up for Retirement Enhancement (SECURE) Act, effective on January 1, 2020, the rules for beneficiary distributions have changed. Your tax advisor, broker, or investment professional can help you work through the complexities so you can make the most of your inheritance.

## Tips for managing your inheritance

Depending on your circumstances, you may benefit from keeping your inherited assets invested so they can continue to grow tax deferred. Inherited IRAs, which are IRAs specifically designed for IRA beneficiaries, help you to take advantage of continued investment while managing the impact of taxes so you can target maximum value of your inherited assets. There are two general factors to keep in mind as you decide how to manage your inherited IRA assets:

### Cashing out your IRA inheritance can be costly.

You should carefully evaluate the impact of taking your IRA inheritance in cash. Your inherited assets may not be the best source to tap for immediate access to cash for the following reasons:

- **Short-term tax drain**—You may be thinking about taking withdrawals or cashing out your IRA inheritance for short-term financial needs. However, you may want to consider keeping these assets invested, as you could immediately lose a significant portion to income taxes once they are withdrawn.
- **Potential loss of future earnings**—When you withdraw from your IRA, you decrease the amount that can continue to compound tax-deferred. You may want to consider other after-tax resources before liquidating your IRA inheritance for immediate cash needs.

### Taking distributions.

Distributions from inherited IRAs are subject to complex IRS rules. As a spouse beneficiary, you may be able to take advantage of basing required minimum distributions (RMDs) on your own life expectancy rather than that of the original IRA owner, which generally lowers the annual RMD amounts. As a non-spouse beneficiary, you are required to take distributions within 10 years\* following the death of the original IRA owner, unless you are an eligible designated beneficiary.† In that case, you may be able to take distributions based on your life expectancy. Your investment professional can walk you through the specific rules, regulations, and time frames pertaining to your specific situation.

\* If the original account owner died December 31st, 2019 or before, non-spouse beneficiaries have the option of withdrawing all of the assets from the inherited IRA within 5 years ("Five Year Rule"). See page 7 for more information.

† An eligible designated beneficiary is a beneficiary who is the surviving spouse or minor child of the original owner or who is disabled, chronically ill, or not more than 10 years younger than the original owner.



# It’s your inheritance. Know your options.

You have several options for transferring your inherited IRA assets, depending on your relationship to the original IRA owner. One main difference between these transfer options is the impact they may have on your RMDs. Keep in mind that the less you withdraw, the longer your inherited assets can grow on a tax-deferred basis.

SUMMARY OF OPTIONS FOR IRA BENEFICIARIES	
If you are inheriting an IRA from:	Then you can generally choose from these options:
Your spouse	<div><div>1.</div><div>Treat the inherited IRA as your own by transferring the assets into your own new or existing IRA, and base both the timing and amount of RMDs on your own age. (Note: You may be subject to the 10% early withdrawal penalty if you take distributions that do not meet exceptions to the penalty.)</div></div> <div><div>2.</div><div>Transfer inherited IRA assets to an Inherited IRA and begin taking distributions. (Note: You may have the option of delaying distributions until the year after your spouse would have reached the age for taking RMDs, or the year after death, whichever is later.)</div></div> <div><div>3.</div><div>Disclaim all or part of your assets within nine months of your spouse’s death. (Note: You should be aware of the impact of such election before initiating. Talk to your tax advisor or investment advisor to understand how this option impacts you.)</div></div>
Someone other than your spouse	<div><div>1.</div><div>Transfer inherited IRA assets to an Inherited IRA and begin taking distributions.</div></div> <div><div>2.</div><div>Disclaim all or part of your assets within nine months of the original owner’s death. (Note: You should be aware of the impact of such election before initiating. Talk to your tax advisor or investment advisor to understand how this option impacts you.)</div></div>

## The rules for taking distributions from an inherited IRA depend on several factors:

- The type of IRA you have inherited—Traditional (the rules for which generally also apply to SEPs, Rollovers, and SIMPLEs) or Roth
- Your relationship to the original IRA owner
- The year in which the original IRA owner died and whether or not the original owner died before reaching his or her required beginning date (RBD) for taking RMDs
- If you are a spouse beneficiary, whether or not you are the sole designated beneficiary
- If you are a non-spouse beneficiary, whether or not you are an eligible designated beneficiary
- The rules of the IRA Custodial Agreement

The SECURE Act of 2019 established RMD rules for IRA owners passing away on January 1, 2020 or later. The pre-SECURE Act rules remain applicable, the details of which are below.

## Original owner died December 31, 2019, or earlier:

REQUIRED MINIMUM DISTRIBUTIONS (ORIGINAL OWNER DIED ON OR BEFORE 12/31/19)			
Beneficiary relationship	Beneficiary options	Pre-RBD (Original IRA owner dies before RBD for taking distributions) <sup>1</sup>	Post-RBD (Original IRA owner dies on or after RBD for taking distributions) <sup>2</sup>
Spouse <sup>3,4</sup>	Move your late spouse's IRA to your IRA and take RMDs based on your life expectancy	●	●
	Transfer your late spouse's IRA to an Inherited IRA in your name and delay RMDs until your late spouse would have reached age 73	●	
	Move your late spouse's IRA to an inherited IRA in your name and begin RMDs the year following the year of death, based on your life expectancy each year	●	
	Move your late spouse's IRA to an inherited IRA in your name and begin RMDs the year following the year of death over the longer of: <ul style="list-style-type: none"> <li>• Your life expectancy; or</li> <li>• Your spouse's remaining life expectancy</li> </ul>		●
	Move your late spouse's IRA to an inherited IRA in your name and withdraw the balance by December 31 of the 5th anniversary of their death (5-year rule)	●	

1. Pre-RBD: When the original owner passes away prior to April 1 of the year following the year they reached age 73 (72 prior to January 1, 2023).

2. Post-RBD: When the original owner passed away on or after April 1 of the year following the year they reached age 73 (72 prior to January 1, 2023).

3. As a spouse beneficiary, you must make an election to: a. Treat inherited assets as your own; b. Move them into an IRA in your name; or c. Move them into an inherited IRA in your name. You must also choose a withdrawal schedule that applies to spousal beneficiaries by December 31 of the year following the year of your late spouse's death. If you do not make a timely election, your distribution options may be limited. If you elect not to inherit, the deadline to disclaim is generally within 9 months of your late spouse's death. Once you have taken ownership of your late spouse's assets, you are no longer eligible to disclaim. You may wish to contact a tax advisor for additional assistance. 4. If you have inherited an employer-sponsored plan, you may have an additional option to calculate RMDs using the Uniform Life Expectancy or the Single Life Expectancy table within your inherited employer-sponsored plan.

**REQUIRED MINIMUM DISTRIBUTIONS (ORIGINAL OWNER DIED ON OR BEFORE 12/31/19)**

Beneficiary relationship	Beneficiary options	Pre-RBD	Post-RBD
Non-spouse <sup>1,2</sup>	Transfer to an Inherited IRA and withdraw the entire account balance by December 31 of the 5-year anniversary of the original owner's death (5-year rule)	●	
	Transfer to an Inherited IRA and take RMDs based on the beneficiary's life expectancy, beginning in the year following the year of the original owner's death, reduced by 1 annually <sup>2,3</sup>	●	
	Transfer to an Inherited IRA and take RMDs based on the longer of the: <ul style="list-style-type: none"> <li>● Decedent's life expectancy; or</li> <li>● Beneficiary's life expectancy<sup>2,3</sup></li> </ul>		●
See-through trust <sup>1,4</sup>	Transfer to an Inherited IRA in the name of the trust and withdraw the entire balance by December 31 of the 5-year anniversary of the original owner's death (5-year rule) <sup>5</sup>	●	
	Transfer to an Inherited IRA in the name of the trust and take RMDs based on the oldest beneficiary's life expectancy, beginning in the year following the year of the original owner's death, reduced by 1 annually <sup>5</sup>	●	
	Transfer to an Inherited IRA in the name of the trust and take withdrawals based on the longer of the: <ul style="list-style-type: none"> <li>● Oldest trust beneficiary's life expectancy beginning in the year following the year of death reduced by 1 annually; or</li> <li>● Original owner's life expectancy in the year of death, reduced by 1 annually<sup>5,6</sup></li> </ul>		●
Non-qualifying trust, estate, or entity beneficiary <sup>1,7</sup>	Transfer to an Inherited IRA in the name of the trust, estate or entity and withdraw the entire balance by December 31 of the 5-year anniversary of the original owner's death (5-year rule) <sup>7</sup>	●	
	Transfer to an Inherited IRA in the name of the trust, estate, or entity and take RMDs using the original owner's life expectancy <sup>7</sup>		●

**1.** You must make an election by December 31 of the year following the year of the original depositor's death. If you do not make a timely election and you were one of several primary beneficiaries on the account, your distribution options may be limited. If you elect not to inherit, the deadline to disclaim is generally within 9 months of the original depositor's death. Once you have taken ownership of your inherited assets, you are no longer eligible to disclaim. You may wish to contact a tax advisor for additional assistance. **2.** Multiple beneficiaries may require the calculation, in some cases, to be based on the oldest beneficiary's options for distribution unless an inherited IRA is established by December 31 of the year following the original IRA owner's death (or by that day all other beneficiaries had either taken their share from the IRA or had disclaimed their interest in the IRA). **3.** Roth IRAs do not require original owners to take RMDs. As such, original depositor Roth IRA owners always pass away pre-RBD. A non-spouse beneficiary would take RMDs under the 5-year rule or based on single life expectancy. **4.** A See-Through Trust is a trust meets the following IRS requirements: 1) The trust must be valid under state law. 2) The trust must be irrevocable or become irrevocable upon the death of the account owner. 3) All the trust's underlying beneficiaries must be identifiable as being eligible to be designated beneficiaries themselves. 4) A Copy of the trust must be provided to the custodian by October 31 of the year following the original owner's death. **5.** These options may not apply for an applicable multi-beneficiary trust that provides trust benefits to a chronically ill or disabled individual. You may wish to contact a tax advisor for additional assistance with those specific rules. **6.** Roth IRAs do not require original owners to take RMDs. See-Through Trust beneficiaries may elect to withdraw under the pre-RBD rules for inherited Roth assets. **7.** Trust, Estate & Entity beneficiaries of Roth IRAs must elect to withdraw under the pre-RBD rules for inherited Roth assets.

## Original owner died January 1, 2020, or later:

REQUIRED MINIMUM DISTRIBUTIONS (ORIGINAL OWNER DIED ON OR AFTER 1/1/20)					
Beneficiary relationship	Beneficiary options	Timely inheritance <sup>1</sup>		Untimely inheritance	
		Pre-RBD <sup>2,3</sup>	Post-RBD <sup>2</sup>	Pre-RBD	Post-RBD
Spouse, only beneficiary on the account	Move your late spouse's IRA to your IRA	●	●	●	●
	Move your late spouse's IRA to an Inherited IRA in your name and delay taking RMDs until your late spouse would've turned 73 <sup>3</sup>	●			
	Move your late spouse's IRA to an Inherited IRA in your name and begin taking RMDs the year following the year of their death	●	●		
	Move your late spouse's IRA to an Inherited IRA in your name and withdraw the balance by December 31 of the 10th anniversary of their death	●		●	●
	Move your late spouse's IRA to an Inherited IRA in your name and withdraw an RMD from the account based on the longer of the: <ul style="list-style-type: none"> <li>Beneficiary's age; or</li> <li>Age of the original owner in the year of their death using the Single Life Expectancy table in each of the first 9 years since the original depositor's death; withdraw the balance of the account by December 31 of the 10th anniversary of their death</li> </ul>		●		●
Beneficiary relationship	Beneficiary options	Pre-RBD		Post-RBD	
Spouse  Additional Eligible Designated Beneficiaries (EDBs)  Untimely inheritance	Move your late spouse's IRA to your own IRA <sup>4</sup>	●		●	
	Transfer assets into an Inherited IRA in your name and take RMDs based on the oldest beneficiary's life expectancy	●		● <sup>4</sup>	
	Move inherited assets into an inherited IRA in your name and withdraw the balance by December 31 of the 10th anniversary of the original depositor's death <sup>6</sup>	●			
	Move your late spouse's IRA to an Inherited IRA in your name and withdraw an RMD from the account based on the longer of the: <ul style="list-style-type: none"> <li>Beneficiary's age; or</li> <li>Age of the original owner in the year of their death using the Single Life Expectancy table in each of the first 9 years since the original depositor's death; withdraw the balance of the account by December 31 of the 10th anniversary of their death<sup>4,6</sup></li> </ul>			●	

**1.** Timely: Taking receipt of IRA assets, or having ownership within the original depositor's account assigned to you by the end of the calendar year following the calendar year of the IRA owner's death. **2.** You will need to make this decision no later than the later of the end of the calendar year in which the original owner would have turned 73, or the end of the calendar year following the calendar year of the IRA owner's death. If you do not make a timely election after your spouse passed away, you must move their IRA into an Inherited IRA in your name. **3.** If you have inherited a workplace plan, such as a 401(k), within the year following the year in which the original owner passed away, you may be able to leave inherited assets in the plan and be treated as if you were the original account owner for RMD purposes, and calculate RMDs using the Uniform Life Expectancy table. **4.** As a spouse beneficiary you may use the longer of your life expectancy or the life expectancy of the original owner. If you elect to use the age of the original owner to calculate RMDs, the full balance of the account must be distributed when your life expectancy factor as the beneficiary is less than or equal to 1. **5.** If you have elected a withdrawal schedule that delayed or did not require an RMD on your inherited assets and are changing your initial election to a scheduled that would've required RMDs, you may need to take the RMDs that would've initially been required. Consult with a tax advisor to learn more about hypothetical RMDs and how they are calculated. **6.** If you didn't move your inherited assets into an Inherited IRA in your name in a timely manner, you may have missed taking an RMD in one or more of the years of the 10-year period you have to withdraw your account completely. Consult with a tax advisor to learn if and how you need to satisfy a missed RMD in this situation.



REQUIRED MINIMUM DISTRIBUTIONS (ORIGINAL OWNER DIED ON OR AFTER 1/1/20)					
Beneficiary relationship	Beneficiary options	Timely inheritance		Untimely inheritance	
		Pre-RBD	Post-RBD <sup>1,2,3</sup>	Pre-RBD	Post-RBD <sup>1,2,3</sup>
Spouse  Additional Non-Eligible Designated Beneficiaries (Non-EDBs)	Move your late spouse's IRA to your IRA	●	●		
	Move your late spouse's IRA to an Inherited IRA in your name and delay taking RMDs until your late spouse would've turned 73 <sup>5</sup>	●			
	Move your late spouse's IRA to an Inherited IRA in your name and begin taking RMDs the year following the year of their death	●	● <sup>4</sup>	●	● <sup>4</sup>
	Move your late spouse's IRA to an Inherited IRA in your name and withdraw the balance by December 31 of the 10th anniversary of their death	●			
	Move your late spouse's IRA to an Inherited IRA in your name and withdraw an RMD from the account based on the longer of the: <ul style="list-style-type: none"> <li>• Beneficiary's age; or</li> <li>• Age of the original owner in the year of their death using the Single Life Expectancy table in each of the first 9 years since the original depositor's death; withdraw the balance of the account by December 31 of the 10th anniversary of their death</li> </ul>		● <sup>2</sup>		● <sup>2</sup>
Beneficiary relationship	Beneficiary options	Pre-RBD		Post-RBD <sup>2,3</sup>	
Spouse  Additional beneficiaries including a minor child  Untimely inheritance	Transfer inherited assets to an inherited IRA in your name and withdrawn RMDs based on the oldest minor child's life expectancy up to when they attain the age of 30, and then completely withdraw from the account by December 31 of the year in which the oldest minor child turns 31		●		●
	Transfer inherited assets into an inherited IRA in your name and withdraw the balance by December 31 of the 10th anniversary of the original depositor's death <sup>6</sup>		●		
	Move inherited assets into an Inherited IRA in your name; withdraw an RMD from the account in each of the first 9 years since the original depositor's death; withdraw the balance of the account by December 31 of the 10th anniversary of their death <sup>2</sup>				●

1. You will need to make this decision no later than the end of the year following the year of the original depositor's death. If you do not make a timely election and you were one of several primary beneficiaries on the account, your distribution options may be limited. You may wish to contact a tax advisor for additional assistance. 2. If you didn't move your inherited assets into an Inherited IRA in your name in a timely manner, you may have missed taking an RMD in one or more of the years of the 10-year period you have to withdraw your account completely. Consult with a tax advisor to learn if and how you need to satisfy a missed RMD in this situation. 3. If the original owner of the account you inherited passed away after their RBD and did not satisfy their RMD in the year they passed, you may be responsible for take all or part of their RMD. 4. As a spouse beneficiary you may use the longer of your life expectancy or the life expectancy of the original owner. If you elect to use the age of the original owner to calculate RMDs, the full balance of the account must be distributed when your life expectancy factor as the beneficiary is less than or equal to 1. 5. If you have inherited a workplace plan, such as a 401(k), within the year following the year in which the original owner passed away you may be able to leave inherited assets in the plan and be treated as if you were the original account owner for RMD purposes, and calculate RMDs using the Uniform Life Expectancy table. 6. If you have elected a withdrawal schedule that delayed or did not require an RMD on your inherited assets and are changing your initial election to a scheduled that would've required RMDs, you may need to take the RMDs that would've initially been required. Consult with a tax advisor to learn more about hypothetical RMDs and how they are calculated.

REQUIRED MINIMUM DISTRIBUTIONS (ORIGINAL OWNER DIED ON OR AFTER 1/1/20)					
Beneficiary relationship	Beneficiary options	Pre-RBD <sup>1</sup>		Post-RBD <sup>1</sup>	
Non-spouse or Non-Eligible Designated Beneficiary (Non-EDB)	Move inherited assets into an inherited IRA in your name and withdraw the balance by December 31 of the 10th anniversary of the original depositor’s death		●		
	Move inherited assets into an Inherited IRA in your name; calculate and withdraw an RMD based on the longer of the: <ul style="list-style-type: none"><li>● Single life expectancy of the beneficiary; or</li><li>● Single life expectancy of the original account owner in each of the first 9 years since the original depositor’s death; withdraw the balance of the account by December 31 of the 10th anniversary of their death<sup>2,3</sup></li></ul>				●
Only beneficiary on the account					
Beneficiary relationship	Beneficiary options	Timely inheritance <sup>4</sup>		Untimely inheritance	
		Pre-RBD	Post-RBD	Pre-RBD	Post-RBD
Non-spouse or Non-Eligible Designated Beneficiary (Non-EDB)	Move inherited assets into an inherited IRA in your name and withdraw the balance by December 31 of the 10th anniversary of the original depositor’s death	●		●	
	Move inherited assets into an Inherited IRA in your name; calculate and withdraw an RMD based on the longer of the: <ul style="list-style-type: none"><li>● Single life expectancy of the beneficiary; or</li><li>● Single life expectancy of the original account owner in each of the first 9 years since the original depositor’s death; withdraw the balance of the account by December 31 of the 10th anniversary of their death</li></ul>		●		
Other non-spouse, non-EDBs on the account	Move inherited assets into an Inherited IRA in your name; calculate and withdraw an RMD based on the longer of the: <ul style="list-style-type: none"><li>● Single life expectancy of the beneficiary; or</li><li>● Single life expectancy of the original account owner in each of the first 9 years since the original depositor’s death; withdraw the balance of the account by December 31 of the 10th anniversary of their death<sup>3,5,6</sup></li></ul>				●

1. Available withdrawal options are the same whether the beneficiary inherits the assets timely or untimely. 2. Withdrawal options for non-spouse, non-EDB are the same whether they are the sole primary beneficiary on the original depositor's IRA or they are one of many primary beneficiaries, all of which are non-EDB. 3. If you didn't move your inherited assets into an Inherited IRA in your name in a timely manner, you may have missed taking an RMD in one or more of the years of the 10-year period you have to withdraw your account completely. Consult with a tax advisor to learn if and how you need to satisfy a missed RMD in this situation. 4. If the account was inherited timely, withdrawal options for non-spouse, non-EDB are the same whether they are the sole primary beneficiary on the original depositor's IRA or they are one of many primary beneficiaries of which all are non-EDBs. 5. If you didn't move your inherited assets into an inherited IRA in your name in a timely manner, you must calculate RMD withdrawals using the age of the oldest beneficiary on the account as of September 30 of the year following the year of the original owner's death. 6. If the oldest beneficiary is older than the original account owner, you will be required to withdraw the full balance of your inherited IRA in the year their life expectancy factor is less than or equal to one. 7. If you didn't move your inherited assets into an inherited IRA in your name in a timely manner, you may have missed taking an RMD in one or more of the years of the 10-year period. You would need to make catch-up distributions for the missed years, and potentially owe the IRS a penalty. Consult a tax advisor to learn if and how you need to satisfy a missed RMD in this situation.

# REQUIRED MINIMUM DISTRIBUTIONS (ORIGINAL OWNER DIED ON OR AFTER 1/1/20)

Beneficiary relationship	Beneficiary options	Pre-RBD <sup>1</sup>	Post-RBD <sup>1</sup>
Eligible Designated Beneficiary (EDB) Only beneficiary on the account	Move inherited assets into and Inherited IRA in your name and begin taking RMDs the year following the year the original depositor passed away based on your, or, in certain cases, the original owner's life expectancy	●	● <sup>2</sup>
	Move inherited assets into and Inherited IRA in your name and withdraw the balance by December 31 of the 10th anniversary of the original depositor's death	●	
	Move inherited assets into an Inherited IRA in your name; withdraw an RMD from the account in each of the first 9 years since the original depositor's death; withdraw the balance of the account by December 31 of the 10th anniversary of their death <sup>3</sup>		● <sup>4</sup>

Beneficiary relationship	Beneficiary options	Timely inheritance <sup>4</sup>		Untimely inheritance	
		Pre-RBD <sup>3,5</sup>	Post-RBD	Pre-RBD <sup>5,6</sup>	Post-RBD
Eligible Designated Beneficiary (EDB) Additional EDBs	Move inherited assets into an Inherited IRA in your name and begin taking RMDs the year following the year the original depositor passed away based on the oldest beneficiary's life expectancy	●	● <sup>6</sup>		
	Move inherited assets into an Inherited IRA in your name and withdraw the balance by December 31 of the 10th anniversary of the original depositor's death	●		●	
	Move inherited assets into an Inherited IRA in your name. Withdraw an RMD, calculated using the shorter of the original depositor's life expectancy or the oldest beneficiary's life expectancy, from the account in each of the first 9 years since the original depositor's death. Withdraw the balance of the account by December 31 of the 10th anniversary of their death <sup>3</sup>		●		●

**1.** Available withdrawal options are the same whether the beneficiary inherits the assets timely or untimely. **2.** As an EDB, you may use the longer of your life expectancy or the life expectancy of the original owner. If you elect to use the age of the original owner to calculate RMDs, the full balance of the account must be distributed when your life expectancy factor as the beneficiary is less than or equal to 1. **3.** If you didn't move your inherited assets into an Inherited IRA in your name in a timely manner, you may have missed taking an RMD in one or more of the years of the 10-year period you have to withdraw your account completely. Consult with a tax advisor to learn if and how you need to satisfy a missed RMD in this situation. **4.** As an EDB, you may use the longer of your life expectancy or the life expectancy of the original owner when calculating RMDs in years 1–9 of your 10 year withdrawal period. **5.** If the original owner of the account you inherited passed away after their RBD and did not satisfy their RMD in the year they passed, you may be responsible for taking all or part of their RMD. **6.** RMDs for this option are to be calculated based on the longer of the beneficiary's age or the age of the original owner in the year of their death using the Single Life Expectancy table.

# REQUIRED MINIMUM DISTRIBUTIONS (ORIGINAL OWNER DIED ON OR AFTER 1/1/20)

Beneficiary relationship	Beneficiary options	Pre-RBD		Post-RBD <sup>1,2</sup>	
Eligible Designated Beneficiary (EDB)  Additional EDBs including a minor child  Untimely inheritance <sup>1</sup>	Move inherited assets into an inherited IRA in your name and take RMDs based on the longer of the: <ul style="list-style-type: none"> <li>• Oldest minor's life expectancy; or</li> <li>• Decedent's remaining life expectancy up to when the oldest beneficiary reaches the age of 30; withdraw the balance of the account by December 31 of the year in which the oldest minor reaches age 31</li> </ul>				
	Move inherited assets into and Inherited IRA in your name and withdraw the balance by December 31 of the 10th anniversary of the original depositor's death				
	Move inherited assets into an Inherited IRA in your name; withdraw an RMD from the account, calculated based on the longer of the: <ul style="list-style-type: none"> <li>• Decedent's remaining life expectancy; or</li> <li>• Oldest minor's life expectancy, in each of the first 9 years since the original depositor's death; withdraw the balance of the account by December 31 of the 10th anniversary of their death</li> </ul>				
Beneficiary relationship	Beneficiary options	Timely inheritance		Untimely inheritance	
		Pre-RBD	Post-RBD <sup>2</sup>	Pre-RBD	Post-RBD <sup>2,3</sup>
Eligible Designated Beneficiary (EDB), minor child  Only beneficiary on the account	Move inherited assets into an Inherited IRA in your name and begin taking RMDs based on your life expectancy up to age 30, and a complete withdrawal of assets in the account by December 31 of the year in which you turn 31 <sup>3</sup>				
	Move inherited assets into and Inherited IRA in your name and withdraw the balance by December 31 of the 10th anniversary of the original depositor's death				
	Move inherited assets into an Inherited IRA in your name. Withdraw an RMD from the account based on the longer of the: <ul style="list-style-type: none"> <li>• Beneficiary's age; or</li> <li>• Age of the original owner in the year of their death using the Single Life Expectancy table in each of the first 9 years since the original depositor's death; withdraw the balance of the account by December 31 of the 10th anniversary of their death<sup>3</sup></li> </ul>				

**1.** If you did not inherit timely, you must refer back to the beneficiaries remaining on the original owner's account as of September 30 of the year following the year of death to determine your distribution schedule. Beneficiaries that inherit untimely must use the shortest life expectancy of the remaining beneficiaries on the original depositor's IRA when determining their withdrawal schedule. **2.** If the original owner of the account you inherited passed away after their RBD and did not satisfy their RMD in the year they passed, you may be responsible for take all or part of their RMD. **3.** If you didn't move your inherited assets into an Inherited IRA in your name in a timely manner, you may have missed taking an RMD in one of the first years of the 10-year period, and you may have to withdraw your account completely. Consult with a tax advisor to learn if and how you need to satisfy a missed RMD in this situation.

REQUIRED MINIMUM DISTRIBUTIONS (ORIGINAL OWNER DIED ON OR AFTER 1/1/20)			
Beneficiary relationship	Beneficiary options	Pre-RBD <sup>1</sup>	Post-RBD <sup>1</sup>
Estate or Non-See-Through Trust <sup>2</sup>	Move inherited assets into an inherited IRA in the name of the estate or non-see-through trust and withdraw the balance by December 31 of the 5th anniversary of the original depositor's death	●	
	Move inherited assets into an Inherited IRA in the name of the estate or non-see-through trust and begin taking RMDs the year following the year of the original depositor's death, using their age in the year of their death		●
Trustee of a Non-See-Through Trust <sup>2</sup>	Move inherited assets into an inherited IRA in the name of the trust and withdraw the balance by December 31 of the 5th anniversary of the original depositor's death	●	
Only beneficiary	Move inherited assets into an Inherited IRA in the name of the trust and begin taking RMDs the year following the year of the original depositor's death, using the original owner's life expectancy in the year of their death, reduced by 1 annually		●
	If the trust's beneficiary is not an eligible designated beneficiary (EDB), withdraw the entire balance by December 31 of the 10th anniversary of the original owner's death <sup>1</sup>	●	
	If the trust's beneficiary is not an EDB, take RMD withdrawals using the longer of the: <ul style="list-style-type: none"> <li>• Original owner's age; or</li> <li>• Age of the trust's beneficiary in the year of death, reduced by 1 annually in years 1–9; withdraw the balance of the account by December 31 of the 10th anniversary of their death</li> </ul>		●
Trustee of a See-Through Trust <sup>1</sup>	If the trust's beneficiary is the original owner's spouse, less than 10 years younger than the original owner, a chronically ill or disabled eligible designated beneficiary, take RMDs using the beneficiary's life expectancy in the year following the year of death, reduced by 1 annually <sup>2,3,4</sup>	●	
Only beneficiary on account  One trust beneficiary	If the trust's beneficiary is the original owner's spouse, less than 10 years younger than the original owner, a chronically ill or disabled eligible designated beneficiary, take RMDs using the longer of the: <ul style="list-style-type: none"> <li>• Beneficiary's life expectancy in the year following the year of death; or</li> <li>• Original owner's life expectancy in the year of death, reduced by 1 annually<sup>3,4,5</sup></li> </ul>		●
	If the trust's beneficiary is a minor child of the original owner EDB, take RMD withdrawals until the minor reaches age 30. Withdraw the balance of the account by December 31 of the year the minor beneficiary reaches age 31 <sup>6</sup>	●	●
	If the only beneficiary of the trust is a charity or entity, fully deplete the balance of the inherited IRA by December 31 of the 5th anniversary of the original owner's death	●	
	If the only beneficiary of the trust is a charity or entity, begin taking RMDs the year following the year the original owner passed away using the original account owner's age in the year of death, reduced by 1 annually		●

**1.** A see-through trust is a trust that meets the following requirements: 1) The trust must be valid under state law, 2) The trust must be irrevocable or become irrevocable upon the death of the account owner, 3) All of the trust's beneficiaries must be identifiable as eligible to be designated beneficiaries, 4) A copy of the trust must be provided to the custodian by October 31 of the year following the original owner's death. **2.** A non-see-through trust is a trust that does not meet the requirements to be treated as a see through trust. **3.** EDB is spouse, minor child of the original depositor, disabled, chronically ill, or person that is not more than 10 years younger, beneficiary of the original owner's account. A Non-EDB is an individual who is not an EDB. **4.** Some inherited IRAs may be required to be fully depleted in less than 10 years. If the original owner's life expectancy factor from the IRS Single Life Expectancy table is less than 10 in the year RMDs for the trust are required to begin, the full account balance must be withdrawn by December 31 of the year the factor is less than equal to 1. **5.** If the sole beneficiary of the trust is the spouse of the original owner, they may delay RMDs until the year the original owner would be required to take RMDs or until they reach RMD age. **6.** A minor child may use the longer of their life expectancy or the life expectancy of the original owner if the original owner passed away after reaching their RBD. This example assumes the original owner will always have a shorter life expectancy than their minor child.



REQUIRED MINIMUM DISTRIBUTIONS (ORIGINAL OWNER DIED ON OR AFTER 1/1/20)			
Beneficiary relationship	Beneficiary options	Pre-RBD	Post-RBD
Trustee of a See-Through Trust <sup>1</sup>  Only beneficiary on account  Multiple trust beneficiaries	If no trust beneficiaries are eligible designated beneficiaries (EDB), withdraw the entire balance by December 31 of the 10th anniversary of the original owner's death <sup>2</sup>	●	
	If no trust beneficiaries are EDBs, take RMDs using the longer of the: <ul style="list-style-type: none"> <li>• Oldest trust beneficiary's life expectancy the year following the year of death; or</li> <li>• Original owner's life expectancy in the year of death reduced by 1 annually, in years 1–9; withdraw the balance of the account by December 31 of the 10th anniversary of the original owner's death<sup>1,2</sup></li> </ul>		●
	If the trust beneficiaries include minor children of the original owner, take RMD withdrawals using the longer of the: <ul style="list-style-type: none"> <li>• Oldest minor beneficiary's age; or</li> <li>• Age of the original owner in the year of death until the oldest minor child reaches age 30. Withdraw the balance of the account by December 31 of the year the oldest minor beneficiary reaches age 31<sup>2,3</sup></li> </ul>	●	●
	If a trust's beneficiaries are eligible designated beneficiaries, take RMD withdrawals using the age of the oldest trust beneficiary	●	
	If a trust beneficiary is a spouse or an individual that is not more than 10 years younger than the original owner, take RMDs use the life expectancy of the oldest trust beneficiary of the original owner, whichever is longer <sup>4,5</sup>		●
	If one of the beneficiaries of the trust is a charity or entity, fully deplete the balance of the inherited IRA by December 31 of the 5th anniversary of the original owner's death	●	
	If one of the beneficiaries of the trust is a charity or entity, begin taking RMD withdrawals the year following the year the original owner passes away using the original account owner's age in the year of death		●

**1.** A see-through trust is a trust that meets the following requirements: 1) The trust must be valid under state law, 2) The trust must be irrevocable or become irrevocable upon the death of the account owner, 3) All of the trust's beneficiaries must be identifiable as eligible to be designated beneficiaries, 4) A copy of the trust must be provided to the custodian by October 31 of the year following the original owner's death. **2.** EDB is spouse, minor child of the original depositor, disabled, chronically ill, or person that is not more than 10 years younger, beneficiary of the original owner's account. A Non-EDB is an individual who is not an EDB. **3.** The information does not represent the withdrawal options for an applicable multi-beneficiary trust or an accumulation trust. As a trustee of an applicable multi beneficiary or accumulation trust, you should work with your attorney or qualified tax professional to determine the appropriate withdrawal schedule for your account. **4.** Some inherited IRAs may be required to be fully depleted in less than 10 years. If the original owner's life expectancy factor from the IRS Single Life Expectancy table is less than 10 in the year RMDs for the trust are required to begin, the full account balance must be withdrawn by December 31 of the year the factor is less than equal to 1. **5.** If an EDB is older than the original account owner, the full account balance must be withdrawn by December 31 of the year the EDB's life expectancy factor would be equal to or less than 1, if their life expectancy was not used to calculate the RMD.

# Take advantage of a Premiere Select IRA

When you transfer your inherited IRA assets to a Premiere Select IRA or Inherited IRA, you can:

- **Maximize your IRA investment options**—A Premiere Select Inherited IRA offers convenience, choice, and flexibility. Your investment professional can help you select the appropriate investments from a vast array of share class alternatives of mutual funds, plus thousands of individual securities.
- **Designate successor beneficiaries**—You can potentially pass on the inherited IRA assets to the next generation.
- **Automate your withdrawals**—One of the easiest ways to target withdrawing the required amount from your inherited IRA is to take advantage of automatic periodic distributions. You can take advantage of flexible payment frequency options, and can direct the withdrawals to yourself, to your bank account, or into a nonretirement brokerage account.
- **Take one-time distributions**—As a supplement or instead of automatic periodic distributions, you can request a one-time distribution from your inherited IRA at any time.

There are specific IRS deadlines you may need to keep in mind, depending on your circumstances.

IMPORTANT DATES	
Deadline	Importance of deadline
December 31 of the year of the original owner’s death	If the original owner dies on or after his or her RBD for taking RMDs, any remaining lifetime RMD for the year of death not already taken by the original owner must be taken by this date. All distributions taken after the date of death (including RMDs for the year of death of the original owner) must be paid to the beneficiaries and taxes must be reported under the beneficiaries’ Social Security numbers/tax identification numbers.
Nine months after the date of the original owner’s death	Last day by which the beneficiary can disclaim assets through a qualified disclaimer. (Note: You should be aware of the impact of such election before initiating. You should discuss this option and how this election may impact you directly with your legal or tax advisor.)
September 30 of the year following the original owner’s death	RMD Designated Beneficiary determination date—the date by which the beneficiaries are determined for the purposes of determining their distribution and RMD calculation options. <sup>1</sup> You should consult a tax or legal advisor for more information.
October 31 of the year following the original owner’s death	Date by which the trustee must provide certain trust documentation (or certification) to the IRA custodian (Fidelity Management Trust Company, for example) to be eligible for qualified trust status for RMD calculations.
December 31 of the year following the original owner’s death	Generally, the date by which inherited IRA owners must take their first required distribution (unless the 10-year rule applies). For beneficiaries determined by the RMD Designated Beneficiary determination date, the date by which individual beneficiaries must establish separate accounts to use their own single life expectancy (for eligible designated beneficiaries ONLY) for RMD calculations.

## It's easy to get started.

Your investment professional can help you transfer your inherited IRA assets to an IRA or Inherited IRA.

Discuss your distribution requirements and options. You can:

- Take automatic periodic distributions
- Take automatic distributions of the earnings on the investments in your account
- Take a single one-time distribution at any time

## Take action

Work with your investment professional to make the most of your IRA inheritance and determine which strategy is right for you.

For more information about managing your IRA inheritance, please contact your investment professional.

<Affix your broker-dealer member name and information here.>

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<sup>1</sup> Assumes that separate accounting applies; multiple eligible designated beneficiaries who are determined by the RMD Designated Beneficiary determination date, generally September 30 of the year following the original owner's death, may use their own single life expectancy for RMD calculations. Separate accounts must be established by December 31 of the year following the original owner's death. For multiple eligible designated beneficiaries who are not determined by the RMD Designated Beneficiary determination date and who do not establish separate accounts by December 31 of the year following the original owner's death, the single life expectancy of the oldest eligible designated beneficiary must generally be used for RMD calculations. Customers should consult a tax or legal advisor for more information.

The information provided herein summarizes certain death distribution options under IRS regulations. The information provided herein is general in nature, is for informational purposes only, and should not be considered tax or legal advice. Always consult an attorney or tax professional regarding your specific legal or tax situation. Laws of a particular state may have an impact on the applicability, accuracy, or completeness of such information. Federal and state laws and regulations are complex and are subject to change. The information herein may be subject to change by future legislation or further interpretation and/or guidance of new provisions.

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Please refer to the terms and conditions set forth in the IRA Custodial Agreement and Disclosure Statement or the Roth IRA Custodial Agreement and Disclosure Statement as applicable. Additionally, distribution options available to beneficiaries may be limited by the governing plan agreement.

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