

Important information about required minimum distribution (RMD) rules for 2020



On March 27, 2020, the president signed the Coronavirus Aid, Relief, and Economic Security Act, also known as the CARES Act. The CARES Act waives the required minimum distribution (RMD) rules for tax year 2020, including 2019 RMDs for individuals that attained age 70½ in 2019 which were due to be distributed between January 1, 2020, and April 1, 2020. Since then, additional guidance provided by the Internal Revenue Service (IRS) gives IRA owners and beneficiaries the opportunity to repay to an IRA amounts that under normal circumstances would have been an RMD for 2020, allowing these individuals to avoid paying tax on the distribution.

If you have an IRA with us, and if your IRA was previously subject to RMDs, please note those RMD requirements for 2020 have been suspended. You are not required to take any RMD for 2020. The suspension also applies to required distributions from Beneficiary IRAs.

If you have already taken an RMD for 2020 and would like to return it to your retirement account, you have the option to do so as a 60-day rollover, provided that the funds are returned by 60 days from the distribution date. The return of your RMD will not be subject to the one rollover per 12-month period limitation and restriction on rollovers for inherited IRAs.

If you wish to return your RMD to your retirement account, please follow the instructions below.

Mail a check along with a letter of instruction to:

E*TRADE Advisor Services
Attention: Check deposit—COVID RMD return
c/o E*TRADE Financial Corporation
7103 S Revere Pkwy
Centennial, CO 80112-3936

In the check memo section, reference "COVID RMD return."

If you have questions, please contact your financial advisor.

PLEASE READ THE IMPORTANT DISCLOSURES BELOW.

E*TRADE Financial Corporation and its affiliates do not provide tax advice, and you should always consult your own tax advisor regarding your personal circumstances before taking any action that may have tax consequences.

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