

**From the desk of
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IRS Announces Rollover Relief for Required Minimum Distributions from Retirement Accounts

The Internal Revenue Service has announced that anyone who took a required minimum distribution (RMD) in 2020 from certain retirement accounts now has the opportunity to roll those funds back into a retirement account following the CARES Act RMD waiver for 2020.

The 60-day rollover period for any RMDs already taken this year has been extended to August 31, 2020 to give taxpayers time to take advantage of this opportunity.

The CARES Act enabled any taxpayer with an RMD due in 2020 from a defined-contribution retirement plan including a 401(k) or 403(b) plan, or an IRA to skip those RMDs this year.

This includes anyone who turned age 70 1/2 in 2019 and would have had to take the first RMD by April 1, 2020.

This waiver does not apply to defined-benefit plans.

In addition to the rollover opportunity, an IRA owner or beneficiary who has already received a distribution from an IRA of an amount that would have been an RMD in 2020 can repay the distribution to the IRA by August 31, 2020.

The IRS provides that this repayment is not subject to the one rollover per 12-month period limitation and the restriction on rollovers for inherited IRAs.

The IRS has provided sample amendments that employers may adopt to give plan participants and beneficiaries who are RMDs are waived a choice as to whether or not to receive the waived RMD.

Essentially if you are one of those who previously took your 2020 RMD prior to the waiver of that requirement then you are now able to return those funds to your pension plan or IRA no later than August 31, 2020 assuming that the appropriate amendments to your employer's plan, or IRA is made.

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