



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D. C. 20224

OFFICE OF THE CHIEF COUNSEL

September 22, 2016

Number: **2016-0072**
Release Date: 12/30/2016

CONEX-126231-16

UIL: 401.06-00

The Honorable John Cornyn
United States Senate
Providence Towers
5001 Spring Valley Road, Suite 1125E
Dallas, Texas 75244

Attention:

Dear Senator Cornyn:

I am responding to your inquiry dated August 15, 2016, on behalf of your constituent, _____, regarding required minimum distributions (RMDs) under an employer's qualified retirement plan. Specifically, she asked whether an employer may require its employees to receive an RMD on a date the employer specifies or whether the employer must permit the individual to provide the date upon which the individual wants to receive the payment.

Internal Revenue Code section 401(a)(9) provides that an employee must start receiving RMDs from his or her retirement plan generally by April 1 following the calendar year in which an employee turns age 70½ (or, if the plan provides for it, the calendar year in which the employee retires, if later). (Treasury Regulation section 1.401(a)(9)-2, Q&A-2.) Under section 401(a)(9), RMDs after the calendar year in which the employee turns age 70½ or retires must be made on or before the end of the calendar year. (Treasury Regulation section 1.401(a)(9)-5, Q&A-1(c); IRS Publication 575, *Pension and Annuity Income*, page 36.)

Please note the tax rules do not specify a date during the calendar year when the payment must be made, nor do they specify which party determines the date on which payment will be made. The retirement plan document may specify such terms or, if it does not, the procedures for payment of a requested RMD generally would be within the discretion of the plan administrator.

This letter includes general principles of the law. It is intended for informational purposes only and is not a ruling. See Rev. Proc. 2016-1, section 2.04, 2016-1 IRB 8 (Jan. 4, 2016).

I hope this information is helpful. If you have questions, please contact
at our office at _____ or me at _____ .

Sincerely,

Victoria A. Judson
Associate Chief Counsel
(Chief Counsel, Tax Exempt and Government
Entities)

cc: