



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

OFFICE OF THE CHIEF COUNSEL

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Dear \_\_\_\_\_ :

This letter responds to your request for information dated January 02, 2018.

According to your letter, you turn 70 ½ in 2018 and wish to arrange your retirement account distributions and avoid the penalty for underpayment of the required minimum distributions (RMD) under section 401(a)(9) of the Internal Revenue Code.

You have proposed a hypothetical distribution schedule and have asked whether it satisfies the RMD requirements. Under the hypothetical distribution schedule, you propose that amounts paid during the period from January 1, 2019, to April 1, 2019, be counted towards the 2018 RMD requirement and that those same amounts also be counted towards the 2019 RMD requirement.

Treasury Regulation § 1.401(a)(9)-5, Question-and-Answer-1(c) provides:

The distribution required to be *made on or before the employee's required beginning date* shall be *treated as the distribution required for the **employee's first distribution calendar year***. The required minimum distribution *for other distribution calendar years*, including the required minimum distribution for the distribution calendar year in which the employee's required beginning date occurs, must be made on or before the end of that distribution calendar year.

Emphasis added.

Internal Revenue Service (IRS) Publication 560, page 18, similarly provides:

The distribution required to be made by April 1 is treated as a distribution for the starting year. (The starting year is the year in which the participant meets (1) or (2) above, whichever applies.) After the starting year, the participant must receive the required distribution for each year by

December 31 of that year. If no distribution is made in the starting year, **required distributions for 2 years** must be made in the next year (one by April 1 and one by December 31).

Emphasis added.

Under section 401(a)(9), an RMD is generally required to be made for the calendar year in which an individual turns 70 ½. The individual is given until the individual's required beginning date (generally, April 1 after the calendar year in which the individual turns 70 ½) to make the RMD for that year. Separate RMDs are required to be made for each calendar year after that year (including the calendar year in which the required beginning date occurs). The same amount distributed cannot be claimed to satisfy the RMD for two separate years – i.e., the RMD for the calendar year in which the individual turns 70 ½ and the RMD for the next calendar year. See IRS Publication 560, page 18, which provides that “if no distribution is made in the starting year, required distributions **for 2 years** must be made in the next year (one by April 1 and one by December 31)” (emphasis added). Thus, if the RMD for year 1 is \$300 and the RMD for year 2 is \$310 and no distribution is made during year 1, **a total of \$610** must be distributed in year 2, \$300 of which must be distributed by April 1 of year 2.

This letter has called your attention to certain general principles of the law. It is intended for informational purposes only and does not constitute a ruling. See Rev. Proc. 2018-1, §2.04, 2018-1 IRB 1 (Jan. 2, 2018). If you have any additional questions, please contact \_\_\_\_\_ in my office at \_\_\_\_\_.

Sincerely,

Cathy Pastor  
Senior Counsel  
Qualified Plans Branch 4  
(Tax Exempt and Government Entities)