



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

OFFICE OF THE CHIEF COUNSEL

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CC:TEGE:EB:QP1
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UIL: 401.06-02

Dear _____ :

This letter responds to your request dated _____, as revised by your subsequent correspondence dated _____, for a ruling permitting the beneficiary of a decedent's estate to receive required minimum distributions (RMDs) from the decedent's account in a 401(k) plan in accordance with section 401(a)(9) of the Internal Revenue Code. Under the facts, the decedent's estate is the beneficiary of the decedent's account in the 401(k) plan.

The IRS will not issue a letter ruling with respect to an issue that is clearly and adequately addressed by statute and regulations. See Rev. Proc. 2018-1, 2018-1 I.R.B. at § 6.11. As a result, we decline to rule on your request, and the user fee is being returned in a separate letter.

However, I am providing the following general information regarding RMDs from a qualified plan to an estate after the death of the account owner. Additional information is available in Publication 590-B.

Section 401(a)(9)(A) provides, in general, that a trust will not be considered qualified unless the plan provides that the entire interest of each employee (i) will be distributed to such employee not later than the required beginning date, or (ii) will be distributed, beginning not later than the required beginning date, over the life of such employee or over the lives of such employee and a designated beneficiary or over a period not extending beyond the life expectancy of such employee or the life expectancy of such employee and a designated beneficiary.

Section 401(a)(9)(B)(i) provides, in general, that if an employee dies after distribution of his interest has begun in accordance with section 401(a)(9)(A)(ii) (after his required

beginning date), the remaining portion of his interest must be distributed at least as rapidly as under the method of distribution being used as of the date of his death.

Section 401(a)(9)(C) provides, in relevant part, that for purposes of this paragraph, the term "required beginning date" means April 1 of the calendar year following the calendar year in which the IRA holder attains age 70 ½.

Section 401(a)(9)(E) provides that for purposes of section 401(a)(9), the term designated beneficiary means any individual designated as beneficiary by the employee.

Section 1.401(a)(9)-4, Q&A-3, states that only individuals may be designated beneficiaries for purposes of section 401(a)(9). A person that is not an individual, such as the employee's estate, may not be a designated beneficiary for purposes of section 401(a)(9).

Section 1.401(a)(9)-5, Q&A-5(a)(2) provides, in summary, that if an employee dies on or after his required beginning date without having designated a beneficiary, then post-death distributions must be made over the remaining life expectancy of the employee determined in accordance with paragraph (c)(3) of §1.401(a)(9)-5, Q&A-5.

Section 1.401(a)(9)-5, Q&A-5(c)(3) provides, in general, that with respect to an employee who does not have a designated beneficiary, the applicable distribution period measured by the employee's remaining life expectancy is the life expectancy of the employee using the age of the employee as of the employee's birthday in the calendar year of the employee's death. In subsequent calendar years, the applicable distribution period is reduced by one for each calendar year that has elapsed after the calendar year of the employee's death.

If you have any additional questions, please contact our office at .

Sincerely,

Neil Sandhu
Senior Technician Reviewer
Qualified Plans Branch 1
Office of the Associate Chief Counsel
(Tax Exempt and Government Entities)

cc: