



# TaxNewsFlash

United States

No. 2024-277  
July 18, 2024

## Final and proposed regulations: Required minimum distributions under section 401(a)(9)

The U.S. Treasury Department and IRS today released [final regulations](#) (T.D. 10001) and [proposed regulations](#) (REG-103529-23) relating to required minimum distributions (RMDs) under section 401(a)(9) from qualified plans under section 401(a); section 403(b) annuity contracts, custodial accounts, and retirement income accounts; individual retirement accounts (IRAs) and annuities; and eligible deferred compensation plans.

- The final regulations reflect the amendments made to section 401(a)(9) by provisions of the “Setting Every Community Up for Retirement Enhancement Act of 2019” (SECURE Act), enacted on December 20, 2019, as Division O of the Further Consolidated Appropriations Act of 2019, Pub. L. No. 116-94, and by various sections of the “SECURE 2.0 Act of 2022” (SECURE 2.0 Act), enacted on December 29, 2022, as Division T of the Consolidated Appropriations Act, 2023, Pub. L. 117-328.
- The proposed regulations reflect various provisions of the SECURE 2.0 Act relating to section 401(a)(9) that were reserved in the final regulations

Read a related IRS release—[IR-2024-190](#) (July 18, 2024)

### Background

The SECURE Act includes a variety of provisions intended to expand and preserve retirement savings, as well as “administrative improvements.” For example, provisions include:

- Repeal of the maximum age for allowing contributions to a traditional IRA
- RMDs under section 401(a)(9) start at age 72 years instead of age 70.5
- Restricted ability to “stretch” RMDs over a beneficiary’s life expectancy
- Increased automatic contribution limits to 15%

The Treasury Department and IRS in February 2022 issued proposed regulations to reflect amendments made to section 401(a)(9) under the SECURE Act. Read [TaxNewsFlash](#)

After the close of the comment period on the proposed regulations, the SECURE 2.0 Act, which affected many of the provisions included in the proposed regulations was enacted. In particular, the SECURE 2.0 Act

amended section 401(a)(9)(C) to delay the RMD beginning date applicable to section 401(a) plans and other eligible retirement plans described in section 402(c)(8), including IRAs.

- For an IRA owner who attains age 72 after December 31, 2022, and age 73 before January 1, 2033, the new required beginning date (that is, the date by which RMDs must begin) is April 1 of the calendar year following the calendar year in which the individual attains age 73, rather than April 1 of the calendar year following the calendar year in which the individual attains age 72.
- This amendment to section 401(a)(9)(C) is effective for distributions required to be made after December 31, 2022, with respect to individuals who will attain age 72 after that date.
- As a result of this amendment, IRA owners who will attain age 72 in 2023 (that is, individuals born in 1951) will have a required beginning date of April 1, 2025, rather than April 1, 2024. This delay in the required beginning date means that these IRA owners (who, prior to enactment of the SECURE 2.0 Act, would have been required to take minimum distributions from their IRAs for 2023) will have no RMD due from their IRAs for 2023.

## Final regulations

After consideration of the comments to the proposed regulations, and taking into account the enactment of the SECURE 2.0 Act, the final regulations adopt the proposed regulations, with certain changes. The preamble to the final regulations explains that some of the rules in the final regulations that reflect provisions of the SECURE 2.0 Act are a clear application of statutory language for which it is unnecessary to solicit comments, and other rules in the final regulations are the logical outgrowth of rules in the proposed regulations that take into account both the comments received on those proposed rules and the subsequent enactment of the SECURE 2.0 Act.

The preamble to the final regulations also states that while the final regulations do not eliminate the annual distribution requirement in cases in which annual life expectancy payments have begun, the Treasury Department and IRS issued Notice 2022-53 (read [TaxNewsFlash](#)), Notice 2023-54 (read [TaxNewsFlash](#)), and Notice 2024-35 (read [TaxNewsFlash](#)), in response to comments requesting transition relief for this requirement.

The final regulations are effective on September 17, 2024.

## Proposed regulations

The proposed regulations address sections 107, 202, 204, 302, 325, and 327 of the SECURE 2.0 Act, and certain other issues. The proposed regulations are proposed to have the same applicability dates as the corresponding provisions in the final regulations.

Comments on the proposed regulations, as well as requests to speak and outlines for topics to be discussed at the public hearing (scheduled for September 25, 2024, at 10:00 AM ET), are due by September 17, 2024. If no outlines are received by September 17, 2024, the public hearing will be cancelled.

[kpmg.com/socialmedia](https://kpmg.com/socialmedia)



The information contained in TaxNewsFlash is not intended to be "written advice concerning one or more Federal tax matters" subject to the requirements of section 10.37(a)(2) of Treasury Department Circular 230, as the content of this document is issued for general informational purposes only, is intended to enhance the reader's knowledge on the matters addressed therein, and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.

KPMG International Limited is a private English company limited by guarantee and does not provide services to clients. No member firm has any authority to obligate or bind KPMG International or any other member firm vis-à-vis third parties, nor does KPMG International have any such authority to obligate or bind any member firm.

Direct comments, including requests for subscriptions, to [Washington National Tax](#). For more information, contact KPMG's Federal Tax Legislative and Regulatory Services Group at +1 202.533.3712, 1801 K Street NW, Washington, DC 20006-1301.

To unsubscribe from TaxNewsFlash, reply to [Washington National Tax](#).

[Privacy](#) | [Legal](#)