

# Correction: **Required Distributions**

## IMPORTANT INFORMATION ABOUT CORRECTING REQUIRED MINIMUM DISTRIBUTIONS (RMD) FOR 2020

The CARES Act granted exemptions for 2020 from taking a required minimum distribution (RMD) from a **defined-contribution plan**, including a 401(k) or 403(b) plan or an IRA. This exemption includes anyone who turned age 70½ in 2019 and would have had to take the first RMD by April 1, 2020. This exemption does not apply to **defined-benefit plans**.

We understand many of our clients may have already taken their RMD for 2020. The Internal Revenue Service recently announced anyone who already took an RMD in 2020 from certain retirement accounts can now roll those funds back into a retirement account following the CARES Act RMD Waiver for 2020. **Taking advantage of this would result in the RMD not being taxed in 2020.**

Also, 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.

In addition to this rollover opportunity, an IRA owner or IRA 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 notice indicates this repayment is not subject to the one rollover per 12-month period limitation or to the restriction on rollovers for inherited IRAs.

We will continue to follow these developments and will provide additional information as we receive clarification. These are very challenging times. Please know that LB Goodman is here to help you with your financial questions and concerns.

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