

AI-00717 RMD Formula and Table

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The **Required Minimum Distribution (RMD)** is the minimum amount of money you must withdraw from a tax-deferred retirement plan, such as an IRA or a 401(k), and pay ordinary income tax rates. The RMD ensures that individuals with these accounts start taking distributions once they reach a certain age.

Here's the formula to calculate your RMD:

RMD = Retirement account balance / Life expectancy factor

- The **retirement account balance** is the total value of your account at the end of the previous year.
- The **life expectancy factor** depends on your age and whether you are sharing your RMD with a spouse.

Let's break it down further:

1. **Retirement Account Balance:** This is the total value of your IRA, 401(k), or other applicable retirement account as of December 31st of the previous year.
2. **Life Expectancy Factor:** You'll use IRS-provided tables that correspond to your age. If you're sharing your RMD with a spouse, the joint life expectancy table applies.

Remember that the age to begin RMDs was set at 72 through the end of 2022, but the SECURE 2.0 Act raised the RMD demarcation age to 73 for those turning 72 in 2023¹².

To calculate your specific RMD, consult the appropriate IRS tables or use online calculators provided by financial institutions³⁴⁵. These tools take into account your account balance, age, and other relevant factors. Always seek professional advice to ensure compliance with RMD rules and avoid penalties. 🌟

Source: Conversation with Bing, 2/10/2024

(1) Required Minimum Distribution (RMD) Calculation and Table - SmartAsset.

<https://smartasset.com/retirement/how-to-calculate-rmd>.

(2) How To Calculate Your RMD in Four Steps (With Example).

<https://www.indeed.com/career-advice/pay-salary/rmd>.

(3) IRA Required Minimum Distributions Table 2023-2024 | Bankrate.

<https://www.bankrate.com/retirement/ira-rmd-table/>.

(4) IRA RMD Calculator and Table for 2024 - NerdWallet.

<https://www.nerdwallet.com/article/investing/social-security/required-minimum-distributions>.

(5) Calculate Your RMD - RMD Calculator | Charles Schwab.

<https://www.schwab.com/ira/ira-calculators/rmd>.

Appendix B. Life Expectancy Tables

Table I			
(Single Life Expectancy)			
(For Use by Beneficiaries)			
Age	Life Expectancy	Age	Life Expectancy
0	84.6	30	55.3
1	83.7	31	54.4
2	82.8	32	53.4
3	81.8	33	52.5
4	80.8	34	51.5
5	79.8	35	50.5
6	78.8	36	49.6
7	77.9	37	48.6

8	76.9	38	47.7
9	75.9	39	46.7
10	74.9	40	45.7
11	73.9	41	44.8
12	72.9	42	43.8
13	71.9	43	42.9
14	70.9	44	41.9
15	69.9	45	41.0
16	69.0	46	40.0
17	68.0	47	39.0
18	67.0	48	38.1
19	66.0	49	37.1
20	65.0	50	36.2
21	64.1	51	35.3
22	63.1	52	34.3
23	62.1	53	33.4
24	61.1	54	32.5
25	60.2	55	31.6
26	59.2	56	30.6
27	58.2	57	29.8
28	57.3	58	28.9
29	56.3	59	28.0

Appendix B. (Continued)

Table I			
(Single Life Expectancy)			
(For Use by Beneficiaries)			

Age	Life Expectancy	Age	Life Expectancy
60	27.1	91	5.3
61	26.2	92	4.9
62	25.4	93	4.6
63	24.5	94	4.3
64	23.7	95	4.0
65	22.9	96	3.7
66	22.0	97	3.4
67	21.2	98	3.2
68	20.4	99	3.0
69	19.6	100	2.8
70	18.8	101	2.6
71	18.0	102	2.5
72	17.2	103	2.3
73	16.4	104	2.2
74	15.6	105	2.1
75	14.8	106	2.1
76	14.1	107	2.1
77	13.3	108	2.0
78	12.6	109	2.0
79	11.9	110	2.0
80	11.2	111	2.0
81	10.5	112	2.0
82	9.9	113	1.9
83	9.3	114	1.9
84	8.7	115	1.8
85	8.1	116	1.8
86	7.6	117	1.6
87	7.1	118	1.4

88	6.6	119	1.1
89	6.1	120+	1.0
90	5.7		