



## Exceptions to Early Withdrawal Penalty

All Plans	Qualified Plans and 403(b) Plans Only	IRAs Only
1) Age 59 1/2 2) Death 3) Disability 4) Medical Exp > 10%/7.5% AGI	1) Substantially Equal Periodic Payments After Separation From Service 2) Separation from Service After Attaining Age 55 3) Qualified Domestic Relations Order	1) Substantially Equal Periodic Payments - No Separation Required 2) Higher Education Costs 3) First-time Homebuyer Expenses Up to \$10,000 4) Health Insurance Premiums for Unemployed

## Minimum Distributions During Life

Distributions must generally begin by **April 1** of calendar year after participant attains age **70½**.

If employed after age 70 1/2, may defer start date until April 1st following the year of retirement.

-Must own less than 5% of employer.

-Applies to employer's qualified plan/403(b), not IRAs or other plans.

$$\text{RMD} = \frac{\text{Plan Balance (beginning of year)}}{\text{Applicable divisor (based on participant's age at end of year)}}$$

- Divisor is always based on standard IRS table, unless spouse is beneficiary and is more than 10 years younger than participant.

## Minimum Distributions After Death

Beneficiary	Death Before Required Beginning Date	Death After Required Beginning Date
None	5 Year Rule	Remaining distribution period of decedent, reduced by 1 each yr
Non-spouse	Beneficiary's Life Expectancy	Beneficiary's Life Expectancy
Spouse	(1) Survivor's life after decedent would have been 70 1/2 or (2) Rollover	(1) Survivor's life or (2) Rollover