



# ED SLOTT'S IRA ADVISOR

July 2020

Tax & Estate Planning for Your Retirement Savings

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### GUEST IRA EXPERT: S. Joseph DiSalvo, ChFC® Quest Capital & Risk Management Smithtown, NY

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Planning Conversation



June 23, 2020

### IRS Announces BLANKET Relief for Unwanted 2020 RMDs!

The IRS has just released [IRS Notice 2020-51](#) which extended the deadline to August 31, 2020 to return any unwanted 2020 RMDs.

### Unprecedented Relief!

ALL unwanted RMDs taken in 2020 can now be returned — *rolled over* — back to an IRA or company plan.

By "ALL" we mean ALL, even non-spouse IRA or plan beneficiaries (who could never do a rollover... until now). The 60-day rollover period is extended to August 31, 2020, no matter when in 2020 the RMD was taken. For example, if an RMD was taken in January 2020, it can still be returned by August 31, 2020. In addition, the once-per-year rule is waived for this relief, so those who took monthly RMDs earlier in the year can return them all.

**This new guidance applies to RMDs only.** Withdrawals of non-RMD funds are still bound by the one-rollover-per-year rule and the standard 60-day rollover rule.

*Get word out to your clients and contacts and evaluate each situation! Some clients may be OK keeping the distribution if they are in a low tax bracket this year.*

## Regulation Best Interest and Rollover Considerations: Employer Plan to IRA

On June 5, 2019, the SEC adopted [Regulation Best Interest](#) (Reg BI) under the Securities Exchange Act of 1934. Reg BI establishes a "best interest" standard of conduct for broker-dealers and associated persons when they make a recommendation to clients of any securities transaction or investment strategy involving securities.

This includes recommendations of securities account types (e.g., to open an IRA or other brokerage account), as well as recommendations to roll

over or transfer assets from one type of account to another (e.g., a workplace retirement plan account to an IRA). As part of this package, the SEC also adopted new rules and forms to require broker-dealers and investment advisors to provide a brief relationship summary, [Form CRS](#), to retail investors. **Firms must comply with Reg BI and Form CRS by June 30, 2020.**

Factors considered in determining whether a recommendation has taken place include whether the

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