

- **CARES Act Provisions for Relief Using Retirement Plans** (*Please consult your financial advisor before making decisions to use these programs*):

COVID-19 Tax-Favored Withdrawal Option

- If a COVID-19 withdrawal is taken, the typical 10% penalty tax that applies to early withdrawals does not apply.
- Standard 20% withholding is reduced to 10% withholding.
- Income taxes for the distribution can be spread over 3 years.
- Maximum amount available for an individual to withdraw is \$100,000, and you may be permitted to recontribute the amount within 3 years (as a rollover) without regard to contribution limits.
- Self-certification is available- you can certify if you have been affected by COVID-19 and are eligible for a distribution.
- This is available between now and Dec. 31, 2020.
- In order to qualify, you must certify you have adverse financial consequences from the COVID-19 pandemic or you, your spouse, or dependent have been diagnosed with COVID-19 or SARS-CoV-2. *

Loan Provisions

- IRS plan loan limits for participants requesting new loans have been increased to 100% of vested account balance, up to \$100,000, for 180 days, beginning March 27, 2020.
- Plan loan payments due between now and Dec. 31, 2020, are delayed for one year with this time period disregarded from the loan's term. Subsequent payment due dates are adjusted accordingly (with interest).
- In order to qualify, you must certify you have experienced certain adverse financial consequences from the COVID-19 pandemic or you, your spouse, or dependent have been diagnosed with COVID-19 or SARS-CoV-2. *

RMD Waiver

- There is a temporary waiver of the RMD rules for distributions required in 2020 for defined contribution plans.
- An additional year is allowed for beneficiaries to complete their distributions if they are taking distributions under the 5-year rule.

- ** An individual, their spouse, or dependent must be diagnosed with COVID-19 (by a test approved by the Centers for Disease Control and Prevention) or the individual experience adverse financial consequences as a result of being quarantined, furloughed, laid off, having work hours reduced, being unable to work due to lack of child care as a result of COVID-19, closing or reduced hours of a business owned or operated by the individual due to COVID-19*