
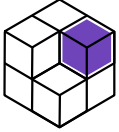






# SECURE 2.0 Act of 2022: new tax implications

KEY THEME	DETAILS	EFFECTIVE
 <p>Increase the <b>starting age for required minimum distributions (RMDs)</b> from 72 to 75 over the next 10 years – <i>Deferring RMDs may increase taxes and Medicare surcharges late in life</i></p>	<p>RMD starting age of 73 for individuals who reach age 72 after 2022</p> <hr/> <p>RMD starting age of 75 for individuals who reach age 74 after 2032</p>	2023
 <p>Greater <b>importance of Roth</b> in employer-sponsored retirement plans</p>	<p>Permit employer matching contributions on a Roth basis</p> <hr/> <p>Require catch-up contributions to be made on an after-tax Roth basis for highly paid employees<sup>1</sup></p> <hr/> <p>Exempt in-plan Roth accounts from lifetime RMDs</p>	<p>Dec 29, 2022</p>  <p>2024</p>
 <p>Enhance <b>qualifying longevity annuity contracts (QLAC)</b> – <i>Lifetime income starting late in life may help fund possible long-term care needs</i></p>	<p>Allows up to \$200,000 to be used to purchase a QLAC and delay required minimum distribution as late as age 85 when annuity payments commence</p>	Dec 29, 2022
 <p>Permit <b>rollovers from 529</b> accounts to Roth IRAs</p>	<p>Allow rollovers from 529 Plans that have been open for 15 years to Roth IRAs (subject to a \$35,000 lifetime limit and the annual IRA contribution limit)</p>	2024

<sup>1</sup>Employees with wages in excess of \$145,000 for the prior calendar year must make their catch-up contributions to a Roth account. This list of provisions is not detailed or exhaustive. Source: SECURE 2.0 Act of 2022. J.P. Morgan analysis. <https://am.jpmorgan.com/us/en/asset-management/adv/insights/retirement-insights/defined-contribution/secure-2-0/>. Not intended to be tax advice. Consult your tax professional.