

The UC Retirement System

New CARES Act impact on minimum required distributions (MRDs)

The Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"), enacted on March 27, allows those 70.5 or older to waive 2020 MRDs. This temporary waiver addresses potential concerns about taking money out of investments during the current volatile market and economic slowdown.

WHAT YOU NEED TO KNOW

- **You don't need to take action if you want to waive your 2020 MRD and have not scheduled a distribution.**
- **Fidelity will NOT automatically process MRDs from your UC 403(b), 457(b) or DC Plan in 2020, unless you have scheduled a distribution.**
- If you already have taken an MRD in 2020, you may not return the distribution. However, under certain provisions, you may be able roll it over to the UC Retirement Savings Program, another eligible retirement plan or an IRA. Consult with a tax advisor about your options.*
- As a reminder, the SECURE Act passed in late 2019 raised the MRD age to 72 years old for anyone born on or after July 1, 1949.

WHICH MRDs ARE COVERED?

The temporary waiver applies to your MRD if you:

- **Were eligible for your first MRD in 2019** and your first payment was required to be taken between January 1 and April 1, 2020. Note that these MRDs have already been paid. If appropriate, consult with a tax advisor about your options.*
- **Are eligible for your first MRD in 2020** and your first payment is required to be paid between January 1, 2020 and April 4, 2021.
- **Have already started taking MRDs** and you have payments that are required to be taken between January 1, 2020 and December 31, 2020.
- **Are the beneficiary on an account** and you have either Beneficiary Lifetime Annual Distributions or 5th Year Force Out MRDs that are required to be paid between January 1, 2020 and December 31, 2020.

WHAT YOU NEED TO DO

No action is required if you want to waive your 2020 MRD and have not scheduled a distribution.

To change or cancel a pre-scheduled MRD or take your 2020 MRD, call a UC-dedicated Retirement Planner at **800-558-9182**.

WHERE TO GO FOR MORE INFORMATION

If you have questions about the CARES Act and how it affects your MRD, call a UC-dedicated Retirement Planner at **800-558-9182**.

** We expect additional guidance on this rule and will update the MRD Fact Sheet on myUCretirement.com accordingly.*

Fidelity does not provide legal or tax advice. The information herein is general in nature and should not be considered legal or tax advice. Consult an attorney or tax professional regarding your specific situation.