



IRS updates mortality tables for required minimum distributions

*By Margaret Berger and Brian J. Kearney
Nov. 12, 2020*

A [final IRS regulation](#) updates the life expectancy and distribution period tables used to calculate required minimum distributions (RMDs) from qualified retirement plans, individual retirement accounts and annuities, and certain other tax-favored employer-provided retirement arrangements. The new tables represent the first update since 2002 and will apply for distribution calendar years beginning on or after Jan. 1, 2022.

New tables will produce smaller RMDs. The new tables reflect the same individual-annuity mortality basis as the [2019 proposal](#) (with an extra year of mortality improvement) and produce life expectancies a year or two longer on average than the current tables. Although the proposal requested comments on how often the tables should be updated, IRS decided not to include automatic update provisions in the final rule. IRS anticipates — but didn't commit to — reviewing the tables after 10 years or when a new study of individual-annuity mortality experience is published.

Effective date. The final rule is effective for distribution calendar years starting in 2022, a year later than IRS had proposed. The distribution calendar year is the year to which the RMD relates — and not necessarily the year in which the RMD is paid. For example, if an individual reaches age 72 during 2021, the new tables would not apply to the RMD due by April 1, 2022, since that RMD relates to 2021, but they would apply to the 2022 RMD due by Dec. 31, 2022.

Transition rules. The final regulation includes transition rules for employees or spouses who die before 2022 after RMDs have begun. The rules provide a one-time reset for the relevant life expectancies using the new tables, based on the age for which the life expectancy was originally set, with an adjustment for the number of years for which RMDs have already been paid.

Related resources

Non-Mercer resources

- [Final regulation: Updated life expectancy and distribution period tables for determining minimum required distributions](#) (Federal Register, Nov. 12, 2020)

Mercer Law & Policy resources

- [SECURE, CARES acts change rules on required minimum distributions](#) (April 7, 2020)
- [IRS plans to update mortality table for required minimum distributions](#) (Nov. 18, 2019)

Note: Mercer is not engaged in the practice of law, accounting or medicine. Any commentary in this article does not constitute and is not a substitute for legal, tax or medical advice. Readers of this article should consult a legal, tax or medical expert for advice on those matters.