

IRS Issues Relief for Reporting Required Minimum Distributions for IRAs for 2023 | News | Haynes and Boone, LLP

March 16, 2023

PRACTICES Employee Benefits and Executive Compensation, Retirement Plans

We previously reported [here](#) on the SECURE 2.0 Act increase to the statutory age by which required minimum distributions (“**RMDs**”) must begin from tax-qualified retirement plans. IRA owners born in 1951 through 1959 (*i.e.*, an individual “who attains age 72 after December 31, 2022, and age 73 before January 1, 2033”) are now required to receive minimum distributions by April 1st of the year next following the later of: (i) the year in which the participant turns age 73, or (ii) the year in which the participant terminates employment.

The IRS recently issued Notice 2023-23 to provide guidance on reporting RMDs for 2023. IRA owners who attain age 72 in 2023 will not have a required RMD for 2023. Accordingly, financial institutions should not provide an RMD statement or file a Form 5498. Due to the short amount of time that financial institutions have had to update their reporting systems with these SECURE 2.0 Act changes, Notice 2023-23 provides relief for incorrect statements. The IRS “will not consider an RMD statement provided to an IRA owner who will attain age 72 in 2023 to have been provided incorrectly if the IRA owner is notified by the financial institution no later than April 28, 2023, that no RMD is actually required for 2023.”

Financial institutions are also encouraged to remind all IRA owners who attained age 72 in 2022 and have not yet taken their 2022 RMD that they are still required to take those distributions by April 1st of this year.

Notice 2023-23 is available [here](#).