

Secure Act of 2019

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High-Level Observations

- Congress expects to receive \$15.7 billion per year.
- RMD Tables are the same for 2020, but will be revised in 2021.
- Age 72 is the new Required Minimum Distribution age (DOB: 7/1/1949).
- Stretch planning is eliminated*
- Traditional IRA deductible contributions after age 70.5.
- RMDs to Charities are still allowed at 70.5.

High-Level Observations (Non-Retirement)

- Apprenticeship Programs can be funded by 529 Plans.
- Repayment of Student Loans up to \$10 k per year from 529 Plans.
- Changes to the “kiddie tax” repealed.
- Threshold for itemized medical expense deduction is lowered from 10% to 7.5%.
- Birth/Adoption Exemption.

Strategies

- IRA to Roth IRA Conversions.
- Conversion to Roth IRAs at 1st spouse's death using Permanent Life Insurance.
- 2nd to Die Policy to pay for taxes.
- Restricted Beneficiary Strategy.
- Tax Swap.
- Stretch still applies in certain situations.
- TSP, 403(b), and 457 Plan exemption until 2022.