



Fiduciary Financial Services Wealth Management

FIRST QUARTER
2023

2023 HOLIDAY SCHEDULE

- Friday, April 7th, 2023
Good Friday
Office closed
- Monday, May 29th, 2023
Memorial Day
Office closed

FIDUCIARY FINANCIAL
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MANAGEMENT

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SECURE ACT 2.0: Part II

On December 29, 2022, the new Secure Act 2.0 was signed into law. There are over 90 provisions within the Act. Most become effective in 2023 or 2024, but some are delayed until 2026 or later.

Below are the provisions that are most impactful:

(Please note that the discussion below is a summary only.)

Birth Year	Age at Which RMDs Begin
1950 or earlier	72 (70 1/2 for those who turned 70 1/2 prior to 2020)
1951-1959	73
1960 or later	75

Required Minimum Distribution

- Penalty for Missed RMD is reduced to 25% from 50%
- New Post-Death option for Surviving Spouse. Elect to be treated as the deceased spouse:
 - RMDs delayed until deceased spouse would have reached RMD age.
 - Surviving Spouse calculates RMD using uniform Life table, not Single Life table.
 - Election is beneficial when younger spouse passes first.
- Catch-up contributions required to be made on a Roth basis for higher income earners (effective 2024)
 - Applies to participants with wages in excess of \$145,000 in the previous calendar year.
 - Increased catch-up contribution for older employees.
- 529 Account transfer to Roth IRA — Tax & Penalty Free
 - Maximum lifetime transfer amount is \$35,000
 - 529 Plan must have been maintained for more than 15 years
- Qualified Charitable Distribution indexed for inflation (effective 2024)
- Elimination of Roth RMDs for employer plans [401(K), 403(b), 457(b)] (effective 2024)

REASONS TO CONTACT CLIENT SERVICES

(972) 934-9070

- Do you have a new email address?
- Have you moved?
- Have you changed your phone number?
- Do you have a new bank account?
- Do we know who your Trusted Contact is?

SECURE ACT 2.0: *(continued)*

- New and expanded Distribution options related to:
 - Terminal Illness
 - Victims of Domestic Abuse
 - Emergency Withdrawal
 - Long Term Care Distribution
 - And More
- Student loan payments treated as elective
 - Deferrals (at employer option) for determining employer matching contribution to 401(K) plan
- What's Not Included:
 - Limits on "Back Door" Roth
 - Income threshold for Roth conversions
 - RMDs (not age based)
 - QCD remains at age 70.5
 - No updates regarding post-death 10-year payout schedule

SCAM ALERT!

STAY CALM AND REMEMBER THESE TIPS:

DON'T RESPOND: If you aren't familiar with the source of a call, email, or text, hang up. Don't click on any unknown links and don't reply to unknown texts.

DON'T ALWAYS TRUST YOUR CALLER ID: Numbers can easily be spoofed and may appear legitimate. If a call or text seems suspicious, hang up and call using a number you know is legitimate to verify the information.

CHECK FOR YOURSELF: If a text or call alleges a transaction has been made on your account, log in and check your accounts.

DON'T GIVE OUT YOUR INFORMATION: Never provide your username, password, security questions or any personal identifying information.