



Dear Customer

As you may have already heard, on March 27, 2020, President Trump signed the **Coronavirus Aid, Relief, and Economic Security Act**, also known as the CARES Act. Even though the CARES Act impacted more than individual retirement accounts (IRAs), the impact on IRAs is significant, which is the reason for this communication.

One provision of the CARES Act waives IRA required minimum distributions (RMDs) for calendar year 2020. This essentially means that IRA owners and IRA beneficiaries are not required to take a distribution from any traditional (including simplified employee pension – SEP) or Savings Incentive Match Plan for Employees of Small Employers (SIMPLE) IRA.

If you previously set up your annual RMD to be automatically withdrawn please let us know if you want the 2020 distribution to be withdrawn as scheduled. If we do not hear from you, we will assume that you want the 2020 RMD to take place even though it is not required by law. If you have already taken your 2020 RMD please contact your tax professional about the possibility of returning the funds as a rollover contribution.

If you are the beneficiary of an IRA, whether it be a traditional, Roth, or SIMPLE IRA, you are also not required to take an RMD for 2020. If you are the surviving spouse beneficiary you may have the ability to return the funds as a rollover contribution. Please check with your tax professional about the possibility of doing so.

The Act also permits an IRA owner younger than age 59½ to take coronavirus-related distributions from his/her IRA without incurring an additional 10 percent tax for early withdrawal. Please check with your tax professional about this provision and any tax implications that could affect you. .

We hope you find this information helpful. If you have any questions please do not hesitate to contact us at (410)-823-0500 or email us at customerservice@thecfgbank.com

Regards,

Your CFG Bank team.