

What are the rules for tax-deferred distributions?

At the age of 70 1/2, the law requires that you withdraw a minimum amount of money each year from your tax-deferred retirement plans. Quicken automatically calculates the minimum distribution at age 70 1/2, and makes sure you withdraw at least that much.

Quicken uses the same rules as the IRS (in IRS publication 590) to calculate the yearly minimum required withdrawal from your tax-deferred savings. It adds the minimum withdrawal amount to your cash flow in those years.

When Quicken calculates the minimum required withdrawal, it uses the life expectancy tables in IRS publication 590, and assumes that the beneficiary named in the publication is your spouse. The life expectancy may be different from the value you entered, but that should not make a difference to your plan.