Did You Know?

By Trey Kinney
Financial Advisor
Morgan Stanley

#1: IRA Required Distribution Age Increase

Did you know that provisions of the *Secure 2.0 Act* increased the age at which required minimum distributions ("RMDs") from IRAs or qualified plans generally must commence from **age 72** to **age 73** in 2023?

Check out this and other provisions of the Secure 2.0 Act here: SECURE 2.0 Act: Potential Employer Impact or for a more in depth look at RMD's take a look at this piece: 8 Things You Should Know About RMDs.

Feel free to reach out with questions on this or any other planning topic.

Trey Kinney is a *Vice President* and *Certified Financial Planner®* with the Wealth Management Division of Morgan Stanley in Alpharetta. His focus with the Guerry/Kinney Group includes helping clients achieve a work-optional lifestyle and leaving a lasting legacy.

Alan Guerry
Financial Advisor
Portfolio Management Director

Trey Kinney, CFP® , CRPC®
Financial Advisor
Senior Portfolio Manager

The Guerry/Kinney Group at Morgan Stanley

DISCLAIMERS

Morgan Stanley Smith Barney LLC offers a wide array of brokerage and advisory services to its clients, each of which may create a different type of relationship with different obligations to you. Please visit us at http://www.morganstanleyindividual.com or consult with your Financial Advisor to understand these differences.

Typically, a retirement plan participant leaving an employer's plan has the following four options (and may be able to use a combination of these options depending on their employment status, age and the availability of the particular option):

1. *Cash out the account value and take a lump sum distribution from the current plan subject to mandatory 20% federal income tax withholding, as well as potential income taxes and 10% early withdrawal penalty tax, or continue tax deferred growth potential by doing one of the following:*

2. *Leave the assets in the former employer's plan (if permitted)*

3. *Roll over the retirement assets into the new employer's qualified plan, if one is available and rollovers are permitted, or*

4. *Roll over the retirement savings into an IRA.*

Other factors to consider when making a rollover decision include (among other things) the differences in: (1) investment options, (2) fees and expenses, (3) services, (4) penalty-free withdrawals, (5) creditor protection in bankruptcy and from legal judgments, (6) required minimum distributions or "RMDs," (7) the Tax Treatment of Employer Stock, and (8) the availability of plan loans (e.g., loans are not permitted from IRAs, and the availability from an employer's qualified retirement plan will depend on the terms of the plan.)

This material has been prepared for (informational)\(educational)\(Illustrative) purposes only. It does not provide individually tailored investment advice. It has been prepared without regard to the individual financial circumstances and objectives of persons who receive it.

When Morgan Stanley Smith Barney LLC, its affiliates and Morgan Stanley Financial Advisors and Private Wealth Advisors (collectively, "Morgan Stanley") provide "investment advice" regarding a retirement or welfare benefit plan account, an individual retirement account or a Coverdell education savings account ("Retirement Account"), Morgan Stanley is a "fiduciary" as those terms are defined under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and/or the Internal Revenue Code of 1986 (the "Code"), as applicable. When Morgan Stanley provides investment education, takes orders on an unsolicited basis or otherwise does not provide "investment advice", Morgan Stanley will not be considered a "fiduciary" under ERISA and/or the Code. For more information regarding Morgan Stanley's role with respect to a Retirement Account, please visit www.morganstanley.com/disclosures/dol. Tax laws are complex and subject to change. Morgan Stanley does not provide tax or legal advice. Individuals are encouraged to consult their tax and legal advisors (a) before establishing a Retirement Account, and (b) regarding any potential tax, ERISA and related consequences of any investments or other transactions made with respect to a Retirement Account.

Morgan Stanley Smith Barney LLC. Member SIPC.

CRC# 5899665 8/2023

Morgan Stanley
2400 Lakeview Parkway, Suite 300
Alpharetta, GA 30009
(770) 643-7660
NMLS # 1253205