



Knowledge is Power

New Year Brings New Rules And Laws

Congress approved the Secure Act law, which took effect at the end of 2019 which brought many changes to the financial and retirement planning arena. And now they have done it again by recently adopting the new Secure Act 2.0 law which brings even more new and changing financial and retirement planning rule, law, planning guidelines and procedures. So, are you ready for more change?

There has certainly been a lot of change over the past few years in the financial and retirement planning arena. In fact, in my near 30 years of teaching and doing retirement planning, I have never seen so many changes in such a short period of time. I mean changes to tax laws, financial and retirement planning rules, procedures, guidelines, changes to financial tools for saving for retirement and taking income in retirement. The list goes on and on. This makes it extremely tough on people who don't keep on this or try and do their own planning.

The Secure Act stands for 'The Setting Every Community Up for Retirement Enhancement Act'. It was originally passed in December of 2019 and brought a wide range of changes to the retirement planning landscape, including changes to how money is inherited with the changes to the 'stretch' IRA, and raising the age for Required Minimum Distributions (RMDs) from age 70 and a half to age 72. And nearly 3 years to the day after its predecessor was passed, the U.S. House of Representatives passed the SECURE Act 2.0.

The new act brings change again to RMDs as well as a significant number of Roth-related changes (both involving Roth IRAs as well as Roth accounts in employer retirement plans). In addition, SECURE 2.0 also includes several measures meant to encourage increased retirement savings.

Ultimately, the SECURE 2.0 adds far more provisions that may have a significant impact for some people than there were in the original version, making it a more challenging bill for people to contend with and understand. Join me this weekend on The Retirement Money Matters Show as we dive into the details of this new bill and give you the information that you need to know. The show airs this Saturday morning at 6: am on 93.1 WIBC, Sunday morning at 8:00 a.m. on 100.5 WWKI, or online at www.theretirementmoneymattersshow.com.