



BUSINESS BUILDER

AGE 70½

Required minimum distributions (RMDs) for traditional IRAs

Make sure your clients are aware of RMDs from their traditional IRA and perhaps other retirement accounts.

The high price of failing to take RMDs is a potential 50% tax penalty on the amount that should have been taken.

Some clients will be required to take an RMD that is more than they need. Opportunities to target any excess include funding a 529 savings plan for grandchildren, adding to insurance for estate planning purposes, making a charitable gift and adding to a brokerage account. Please keep in mind your clients' financial needs, goals and risk tolerance.

1. Go to mfs.com

- > Click Grow Your Business
- > Click Support Your Business
- > Click Milestone Marketing
- > Client Prospecting Letter: 70½

2. **Copy and paste** the letter onto your computer and then print it on your letterhead.

3. **You can also paste the letter into an email**, using a subject line such as "Let's start retirement income planning."

Changes cannot be made to the text other than to insert the date, salutation, contact information and closing. This piece may need to be reviewed by your compliance department.

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MINE YOUR OWN BUSINESS

Uncovering new opportunities with existing clients

[Date]

Dear [Name]:

Happy 70th birthday!

The Internal Revenue Service requires that you start taking required minimum distributions (RMDs) from your IRA by April 1 after the year in which you reach age 70½. Calculating your appropriate RMD can be complex, and the IRS may assess a 50% penalty on the amount of a mistake.

I would like to get together with you and your accountant to plan accordingly. Your RMD may be more than you currently need for monthly income. If that is the case, we can discuss options to consider for using any excess distribution.

[I will call you to discuss/Call me today to learn more about] what this means and how we can continue to shape your retirement income plan.

I look forward to speaking with you soon.

Sincerely,

[Your name]

[Firm]

[Phone number]

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