



YEAR-END TAX PLANNING MOVES FOR INDIVIDUALS

CARES Act Relief

The CARES Act provides some relief: Coronavirus related distributions made during 2020 from a qualified retirement plan are not subject to the 10% extra tax on early distributions up to \$100,000. These distributions can be repaid under special, relaxed rules, or will be taxed over three years instead of all in the distribution year. Also, the maximum limit on plan loans for Coronavirus affected individuals has doubled from \$50,000 to \$100,000, and there is a moratorium on plan loan repayment from March 27, 2020 through the end of the year. Check with your plan for details if you would like to take advantage of these breaks before year-end.