

How SIPS Calculates Beneficial IRA RMDs

10/28/2026 5:18 pm EDT

Overview

SIPS calculates a beneficial (inherited) IRA's annual required minimum distribution (RMD) by dividing the prior year-end account balance by a life-expectancy factor from the IRS Single Life Table. SIPS cannot accept a date of death for a beneficial IRA, so it uses the plan's initial date as the date of death. That date sets the first distribution year and the starting factor, so for the RMD calculation to be precise, the initial plan date should be the original owner's actual date of death.

This article explains how the date of death is used, how the factor is chosen and reduced each year, and walks through two worked examples.

Date of death: SIPS uses the plan's initial date

SIPS has no field for the original owner's date of death on a beneficial IRA. When no date of death can be specified, SIPS uses the plan's initial date as the date of death.

To get accurate RMDs, set the beneficial IRA's initial plan date to the owner's actual date of death. If you enter a different date, such as the date the account was opened or retitled, SIPS treats that date as the date of death and calculates from it. The worked examples below assume the initial plan date is the actual date of death.

This date drives three things:

- **First distribution year:** the calendar year after the year of the date of death. A date of 7/23/2017 gives a first distribution year of 2018. A date of 12/1/2025 gives a first distribution year of 2026.
- **Starting factor:** the Single Life Table factor for the beneficiary's age on their birthday in the first distribution year.
- **Which rules apply:** dates before 2020 follow the older "stretch" rules. Dates after 2019 follow the SECURE Act, including the 10-year rule for most non-spouse beneficiaries.

For example, if the owner died on 7/23/2017 but the plan's initial date is set to 3/1/2019 (when the account was retitled), SIPS treats 3/1/2019 as the date of death. The first distribution year becomes 2020 instead of 2018, and the RMDs will not match the owner's actual date of death.

How the RMD is calculated

Each year's RMD is the prior December 31 balance divided by that year's factor.

$$\text{RMD} = \frac{\text{Prior 12/31 balance}}{\text{Single Life Table factor for the year}}$$

1. **Find the first distribution year.** This is the year after the year of the owner's death.
2. **Find the beneficiary's age in that year.** Use the age they reach on their birthday in the first distribution year.
3. **Look up the starting factor.** Use the IRS Single Life Table effective for distribution years beginning in 2022. For example, the factor is 33.4 at age 53 and 26.2 at age 61.

4. **Reduce the factor by 1 for each year after the first distribution year.** The factor is set once and then reduced. It is not looked up again each year at the beneficiary's current age.
5. **Divide.** Divide the 12/31 balance of the prior year by the factor for the year being calculated.

Worked examples

Both examples use a 12/31/2025 balance of \$100,000 and a non-spouse individual beneficiary born 5/15/1965 (a named person, not a trust or estate), and calculate the 2026 RMD. The owner had reached their required beginning date before death in both cases.

Step	Owner died 7/23/2017	Owner died 12/1/2025
First distribution year	2018	2026
Beneficiary's age in that year	53	61
Starting Single Life Table factor	33.4	26.2
Years after first distribution year, at 2026	8	0
2026 factor	$33.4 - 8 = 25.4$	26.2
2026 RMD	$\$100,000 / 25.4 = \$3,937$	$\$100,000 / 26.2 = \$3,817$

In the first example, the 2027 factor is 24.4 and is applied to the 12/31/2026 balance. In the second example, the 2027 factor is 25.2, and the account must be fully distributed by 12/31/2035 under the 10-year rule.

Rules that affect annual RMDs

The date of death and the owner's required beginning date (RBD) decide whether annual RMDs apply and how long the account can be held.

- **Owner died before 2020:** the beneficiary takes annual RMDs over their own life expectancy using the method above.
- **Owner died after 2019, non-spouse beneficiary:** the 10-year rule applies and the account must be empty by 12/31 of the 10th year after death. If the owner died on or after their RBD, annual RMDs are also required in years 1 through 9. If the owner died before their RBD, no annual RMDs are required.
- **Eligible designated beneficiaries:** a surviving spouse, minor child of the owner, disabled or chronically ill individual, or a beneficiary no more than 10 years younger than the owner can use life-expectancy payments instead of the 10-year rule.
- **Year-of-death RMD:** if the owner had not yet taken their RMD for the year of death, the beneficiary must take it by 12/31 of that year. It reduces the balance used for the following year's calculation.
- **Designated beneficiary status:** the beneficiary must be named directly as of 9/30 of the year after death. Otherwise, a different factor based on the owner's remaining life expectancy applies.

Sources

- [IRS Publication 590-B, Distributions from Individual Retirement Arrangements](#)
- [26 CFR 1.401\(a\)\(9\)-9, Life expectancy and distribution period tables](#)
- [Fidelity, IRS Single Life Expectancy Table](#)

This article is general information and not tax advice. Confirm the specifics of any account with a qualified tax professional.
