

## ***CARES Act and Defined Contribution Plan (TIAA, AIG VALIC, Ameriprise)***

### ***General:***

The aggregate amount of distributions received by an individual which may be treated as coronavirus-related distributions for any taxable year shall not exceed \$100,000.

### ***Treatment of Plan Distributions:***

- The distribution may come from either the vested portion of Basic Plan (required) or the Tax Deferred Annuity (supplemental). This does not apply to State's Defined Benefit Plan, which is IPERS
- Distributions can be made up through December 31, 2020
- To an active (or former) employee:
  - Who is diagnosed with the virus SARS-CoV-2 or with the coronavirus disease 2019 (COVID-19 by a test approved by the Centers for Disease Control and Prevention,
  - Whose spouse or dependent is diagnosed with such virus or disease by such a test, or
  - Who experiences adverse financial consequences as a result of being quarantined, being furloughed or laid off or having work hours reduced due to such virus or disease, being unable to work due to lack of child care due to such virus or disease, closing or reducing hours of a business owned or operated by the individual due to such virus or disease, or other factors as determined by the Secretary of the Treasury (or the Secretary's delegate)
- A distribution does not impact ISU's vesting requirement even if the distribution is not paid back
- A distribution is not treated as a loan, however, any amount up to the total amount of this distribution can be paid back

### ***Taxation of the Distribution:***

- The distribution will not be subject to the additional 10 percent early withdrawal tax or the mandatory 20 percent Federal withholding
- In the case of any coronavirus-related distribution, any amount required to be included in gross income for such taxable year shall be so included ratably over the 3-taxable-year period beginning with such taxable year (consult your tax advisor for your specific tax situation)

### ***Repayment of the Distribution:***

Any individual who receives a coronavirus-related distribution may, at any time during the 3-year period beginning on the day after the date on which such distribution was received, make 1 or more contributions in an aggregate amount not to exceed the amount of such distribution back to plan.

### ***Other Information:***

An individual may elect to suspend their 2020 Required Minimum Distributions (RMD's).

***How Do I Make a Withdrawal:***

An employee wishing to take a qualified coronavirus-related distribution should contact TIAA, AIG VALIC, or Ameriprise directly to certify eligibility. Contact your financial advisor for more information or visit the following links with our retirement plan partners:

<https://www.tiaa.org/public/tcm/iastate/home>

<https://www.valic.com/>

<https://www.ameripriseadvisors.com/team/keeling-wealth-advisors>

For additional questions about your ISU Retirement Plans, please email the Office of Payroll, Benefits and Tax at [fbac@iastate.edu](mailto:fbac@iastate.edu).