

# GUIDE TO RMDs

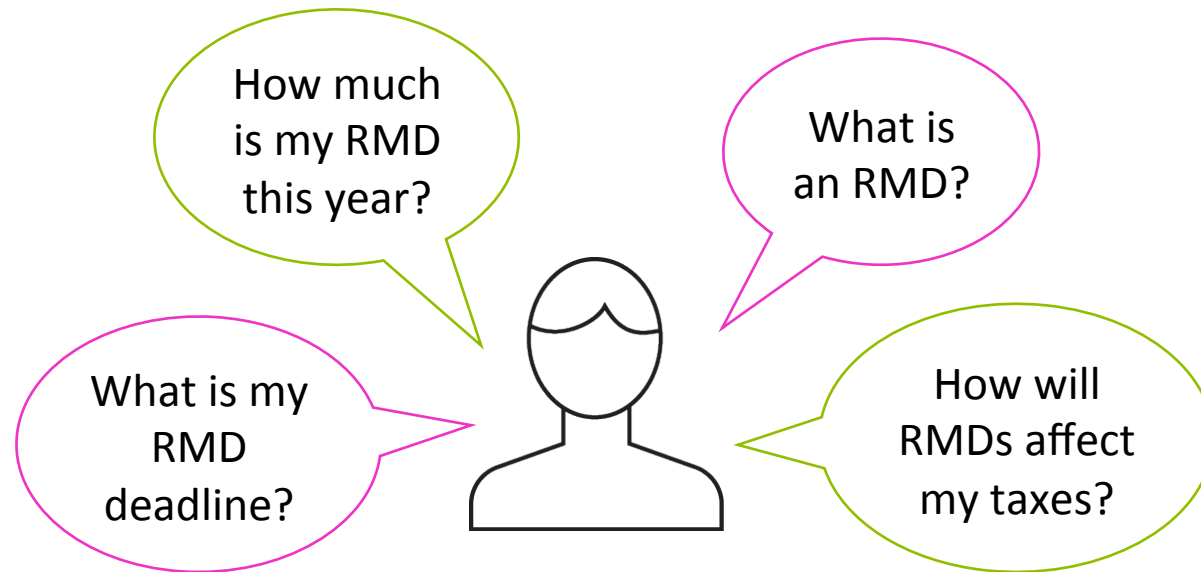
Jess Yuscavitch

UX Design + Content Lead, Fidelity Investments

What is an RMD anyway?

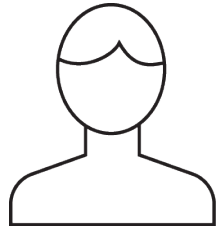
# Required Minimum Distribution (a.k.a. RMD)

The minimum amount of money the IRS requires you to withdraw from your IRA each year after you turn 70½



# Why RMDs?

After visiting the Fidelity.com, more than 50% of RMD customers call representatives for help with their IRA withdrawal.



**975,000**

# of RMD customers in 2016

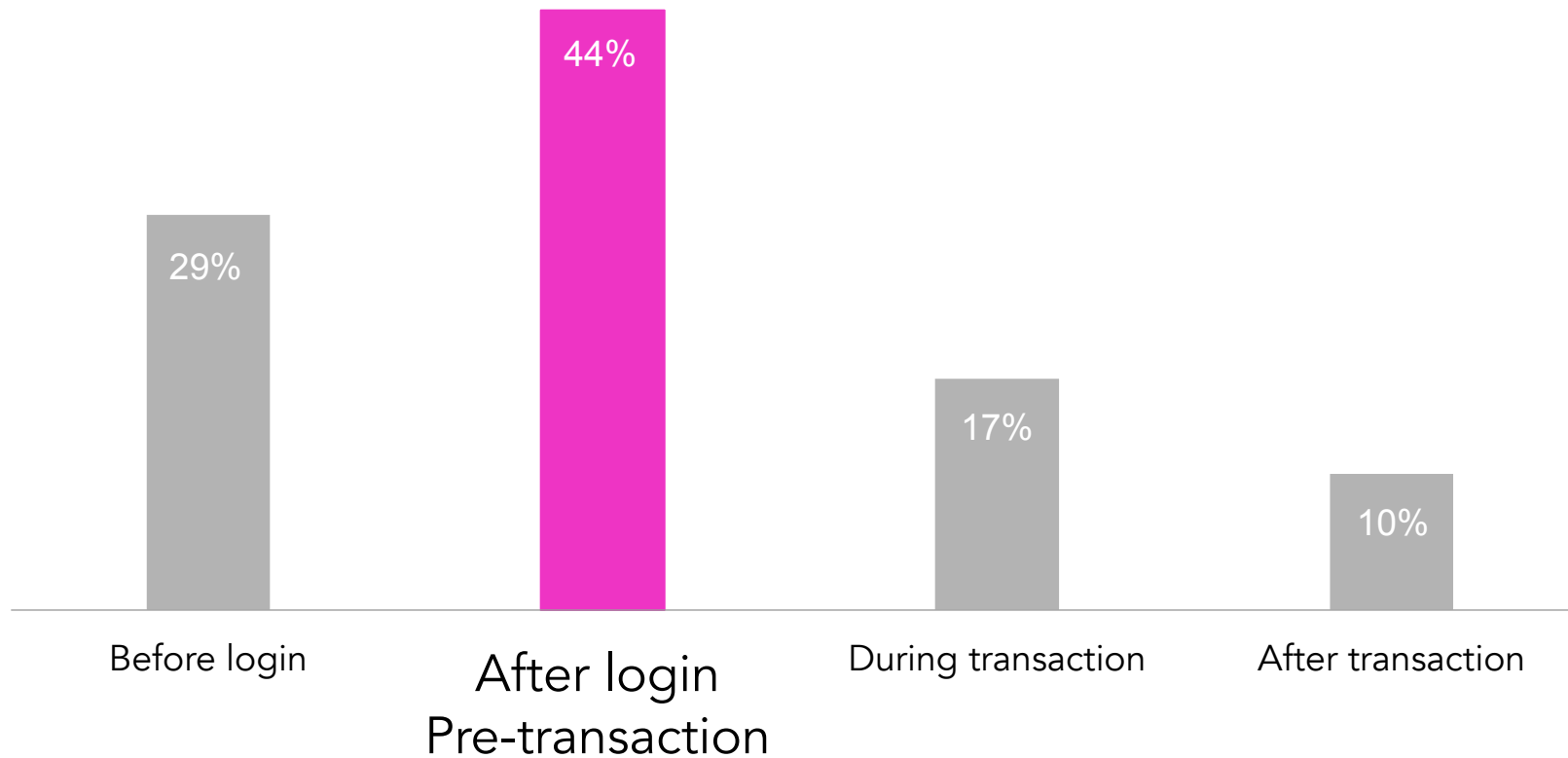


**550,000**

RMD calls per year

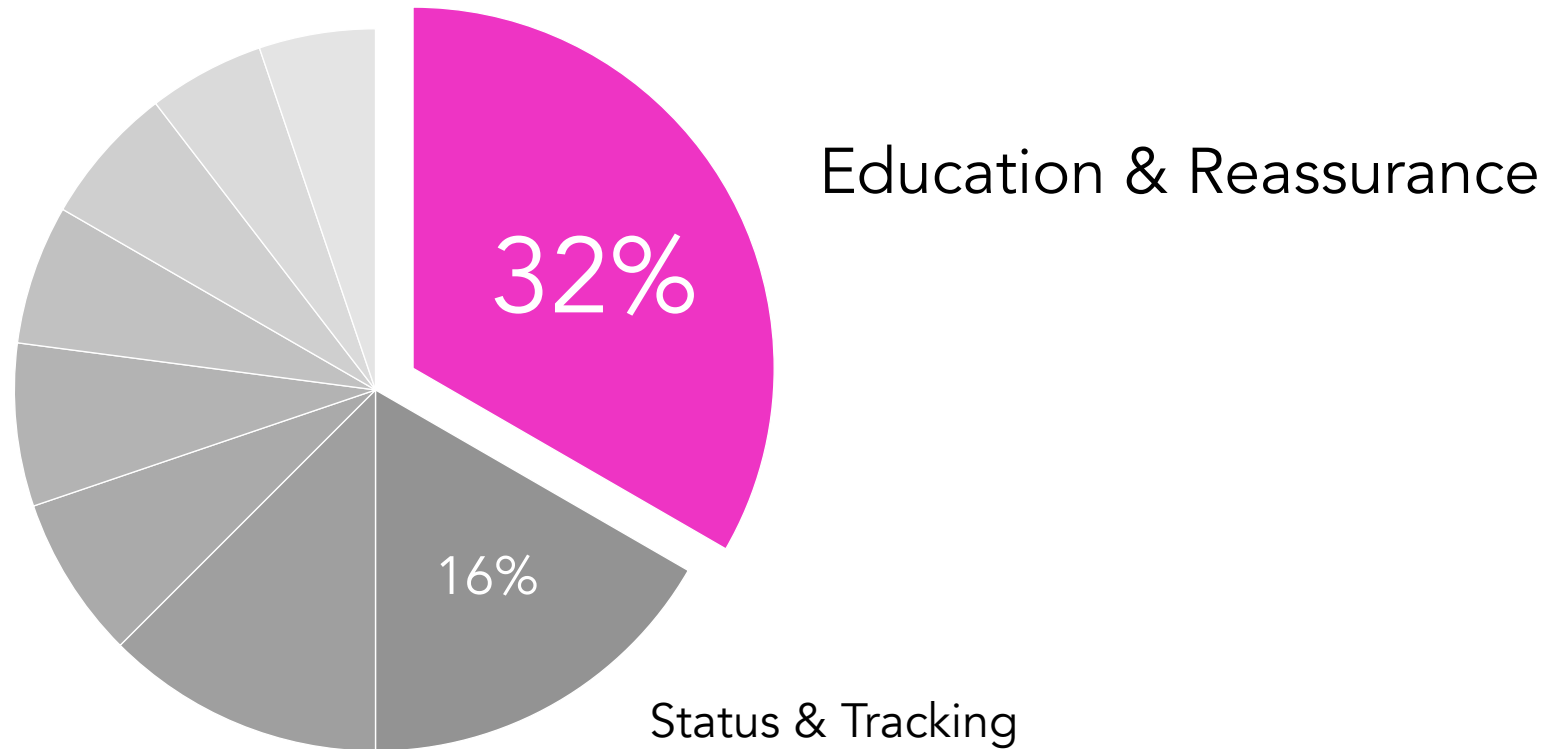
# When are customers calling?

73% of customers call us before even reaching the online transaction



# Why are customers calling?

32% of customers call to make sure they understand and are on the right track



It's time for a content audit.

# Where does Fidelity.com fall short?

Reviewed over 180+ pages using the top 10 search results

64%

of onsite search results weren't relevant to the customer intent

78%

pages had no direct path to take action

## Learn More Loop

The end to end experience is disjointed, putting too much guesswork on the customer and leading them down too many pathways.

## Harvard Law Review

RMDs are complicated to understand, the language is so jargon heavy that it requires a higher level of education to comprehend.



Search

1-11 of 95 Results



**Withdraw Money from Your Fidelity Retirement Accounts**  
 Options for taking withdrawals from your individual retirement account (IRA), based on your age and account type

**Take an Early Withdrawal**  
 How to take withdrawals if you are under the age of 59½

**Take a Withdrawal**  
 How to take withdrawals if you are between the ages of 59½ and 70

**Minimum Required Distributions**  
 How to take minimum required distributions (MRDs) if you are 70½+

**Retirement Distribution Center**  
 Track and manage distributions from your retirement and inherited retirement accounts, including minimum required distributions (MRDs).

**Stock Research Center**  
 Fidelity makes finding investment ideas easy with the Stock Research Center.

**What You Can Trade: Stocks**  
 Uncover new opportunities, dig in to the details, and evaluate your choices before and after you trade.

**Minimum Required Distribution (MRDs) - Fidelity**  
 Minimum Required Distributions (MRDs) If you own a Traditional IRA, learn about withdrawals you're required to take. Turning age 70½ is a ... that's when you must begin ...

**Minimum Required Distribution Rules & FAQs - Fidelity**  
 IRA FAQs: Minimum Required Distributions (MRDs) Benefits and Rules Rollovers Roth IRAs Minimum Required Distributions (MRDs) Benefits and Rules Rollovers Roth IRAs ...

**How to Take a Minimum Required Distribution (MRD) from Your ...**  
 How to Take a Minimum Required Distribution (MRD) From Your IRA If you're over the age of 70½ and you're ready to take your MRD from your Fidelity IRA, ...

**Transferring Assets - Inheritance - Fidelity**  
 ... In value Estate Planning and Inheritance Glossary close minimum required distribution (MRD) mandatory, minimum yearly withdrawals that generally must ... without the ...

**MRDs for inherited IRAs**  
 MRD Rules for Inherited IRAs If you've inherited an IRA, learn about the minimum required distributions (MRDs) you may need to take soon, as ... For All Inherited ...

**Remember the MRD Deadline - Fidelity**  
 Don't forget to take MRDs by Dec. 31 Failure to take minimum required distributions on time may mean tax penalties. Fidelity Viewpoints - 10/21/2015 401(k) ... 31 is fast ...

**Learn about Retirement - Fidelity**  
 ... this checklist to help you prepare to take minimum required distributions (MRDs):  
 'author': '', 'source': '', 'headline': '', 'date': '', 'image': '', 'duration': ...

1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Next

**Take action**  
**Minimum Required Distribution Calculator**

**From our experts**  
**Timing your MRDs - Fidelity**  
**Using a QLAC to Make Retirement Income for Life - Fidelity**  
**Remember the MRD Deadline - Fidelity**

**Fidelity Learning Center**  
**Should You Delay Your First MRD?**  
**Taking MRDs - Fidelity**  
**Making Sense of MRDs - Fidelity**

**News from around the web**  
**3 Ways to Avoid Taxes on Your Social Security Benefits**  
KPLR1030

**Time's up: Millions of Americans are about to lose Social Security benefits**  
MARKETWATCH

**Did you find what you were looking for?**  
 Yes  No

**Contact Us**  
**800-343-3548**

[Chat with a representative](#)  
[Find an Investor Center](#)

Home > Guidance & Retirement > Retirement Planning > Learn About IRAs >

[Learn About IRAs Overview](#)

**THE BASICS**

**What is an IRA?**  
**Inheriting an IRA?**  
**Spending vs. Investing**  
**Compare Four Options for Your Old 401(k)**

**INVESTING YOUR IRA**

**Contributing to Your IRA**  
**Choosing Investments for Your IRA**  
**Converting to a Roth IRA**

**WITHDRAWING FROM YOUR IRA**

**Withdrawing From Your IRA**

**Minimum Required Distributions (MRDs)**

**Required Withdrawals From Your Inherited IRA**

**LEARN MORE**

**IRA Tools & Calculators**

## Minimum Required Distributions (MRDs)

If you own a Traditional IRA, learn about withdrawals you're required to take.

Turning age 70½ is a major milestone if you own an IRA. If you have a Traditional IRA, that's when you must begin withdrawals, or minimum required distributions (MRDs), also known as required minimum distributions or RMDs. MRDs are mandatory, minimum yearly withdrawals that generally must be taken starting in the year the IRA account holder turns 70½.

If you inherit an IRA, you will generally be required to begin taking MRDs by a certain date or incur a penalty; see [MRD Rules for Inherited IRAs](#) for more details.

For Roth IRAs, there are no MRDs for the original owner. If you have both kinds of IRAs, withdrawals from a Roth IRA will not help satisfy your annual MRD requirement for your Traditional IRA.

**Taking MRDs**

You generally have until April 1 of the year following the calendar year you turn age 70½ to take your first MRD. In subsequent years, the deadline is December 31. MRDs will be required each year for the remainder of your life after 70½.

Penalties for taking less than your MRD after 70½ can be severe—up to 50% of the amount not taken.

In addition to being mindful of MRDs, you should also consider creating an overall plan for taking withdrawals that includes all of your retirement income sources.

**Determining your MRD amount**

Generally, the amount of your MRD is determined by dividing the adjusted market value of your account as of December 31 of the prior year by an applicable life expectancy factor. You can use the [Uniform Lifetime Table \(PDF\)](#) to find your life expectancy factor or our [MRD Calculator](#) to help determine what you'll be required to withdraw.

You can also use our Retirement Distribution Center to help manage your MRDs. Get estimated MRDs for your Fidelity IRAs (Traditional IRAs, SEP IRAs, SIMPLE IRAs, Rollover IRAs, and all small-business retirement plans). Our system also keeps track of withdrawals and allows you to schedule automatic withdrawals on a monthly, annual, or customized basis. [Learn more about our Retirement Distribution Center.](#)

**How MRDs are taxed**

MRDs are taxed as ordinary income for the tax year in which they are taken and will be taxed at your applicable individual federal income tax rate. MRDs may also be subject to state and local taxes. If you made nondeductible contributions to your IRA, you must calculate your MRD based on the total balance, but your taxable income may be reduced proportionately for the after-tax contributions. Please consult a tax advisor to learn more.

**Donating MRDs to charity**

One exception to MRDs being taxed as ordinary income occurs when MRDs are taken as Qualified Charitable Distributions (QCDs). A QCD is a direct transfer of funds from an IRA custodian, payable to certain qualified charities, allowing a taxpayer, age 70½ or older, to exclude the amount donated from taxable income. [Learn more about QCDs.](#)

**Next steps**

**Retirement Distribution Center**  
 See how our Retirement Distribution Center can help you calculate and manage your minimum required distributions for your Fidelity IRAs (Traditional IRAs, SEP IRAs, SIMPLE IRAs, Rollover IRAs, and all small-business retirement plans).

**Enroll in our Automatic Withdrawals Service**  
 Simplify your MRDs by letting Fidelity help ensure you meet IRS requirements and deadlines.

**Planning & Guidance Center**  
 Get a holistic view of your retirement plan and explore changes that may help you become better prepared.

**Questions?**  
**800-343-3548**

[Chat with a representative](#)  
[Find an Investor Center](#)

**What we offer**

**Traditional IRA**  
**Roth IRA**  
**401(k) Rollover**

**From our experts**

**Will your savings last?**  
**Where will my income come from?**  
**Smart IRA withdrawal strategies**

Guidance provided by Fidelity through the Planning & Guidance Center is educational in nature, is not individualized, and is not intended to serve as the primary basis for your investment or tax-planning decisions.

Fidelity does not provide legal or tax advice. The information herein is general and educational in nature and should not be considered legal or tax advice. Tax laws and regulations are complex and subject to change, which can materially impact investment results. Fidelity cannot guarantee that the information herein is accurate, complete, or timely. Fidelity makes no warranties with regard to such information or results obtained by its use, and disclaims any liability arising out of your use of, or any tax position taken in reliance on, such information. Consult an attorney or tax professional regarding your specific situation.

## Retirement Distribution Center AS OF 10/06/2016

**⚠ Attention** - Your account information cannot be calculated at this time. Please try again later or call 1-800-343-3548.

### Minimum Required Distribution (MRD)

For the year:

Your estimated MRD is:

So far you have withdrawn:

Generally, must take MRD by December 31. [Learn more.](#)

**\*Important:** Estimated MRD is based on only the accounts listed below. If you have a 401(k), 403(b), or certain qualified (IRA) annuity account, the MRD for those accounts is not included in this estimate.

### Ways to Get Your Money

#### Schedule automatic withdrawals

Set up a regular withdrawal schedule, including making sure you take your MRD (when applicable). [Learn more.](#)

#### Make one or more individual withdrawals

Decide when and how much to withdraw each time. [Learn more.](#)

Tip: [Get your money faster and keep it working for you.](#)

### Retirement Account Details

| Account Name                                     | Current Balance <a href="#">?</a> | Estimated MRD <a href="#">?</a> | YTD Withdrawals | Federal Tax Withheld <a href="#">?</a> | State Tax Withheld <a href="#">?</a> | Automatic Withdrawals <a href="#">?</a> |
|--|-----------------------------------|---------------------------------|-----------------|--|--------------------------------------|---|
| INDIVIDUAL RETIREMENT ACCOUNTS <a href="#">?</a> |                                   |                                 |                 |  |                                      |   |
| Not Available                                    | Not Available                     | Not Available                   | Not Available   | Not Available                          | Not Available                        | Not Available                           |

### News & Insights

GOVERNMENT UPDATE  
No update

FIDELITY VIEWPOINTS  
[Should you take Social Security at 62?](#)

GUIDANCE  
[Fidelity Income Strategy Evaluator Tool<sup>SM</sup>](#)

### Questions?

**800-544-6666**

[Instant message a representative.](#)

[Find an Investor Center.](#)

### Manage your accounts in one place

Do you have retirement accounts outside of Fidelity? Consider moving them to Fidelity, so you can track and manage all of your retirement accounts in one place.

### Just getting started?

[How can I make my money last in retirement](#)

[What should I know about withdrawals in retirement?](#)

[Where can I get answers to questions about tax forms, statements and deadlines?](#)

[Watch a webinar on MRDs](#)

[View a video tour of RDC](#)



# "Learn More Loop" – the current site structure



# Customer problem statement

“ When I want to get my money, Fidelity.com makes it difficult for me to find what I need, understand what I should do, and confirm what I’ve done. Because of this, I’m not confident I’m doing the right thing, so I call a representative for guidance and reassurance. ”

Setting the customer up for success

# “Act Plan Learn” – the content strategy



ACT



PLAN



LEARN

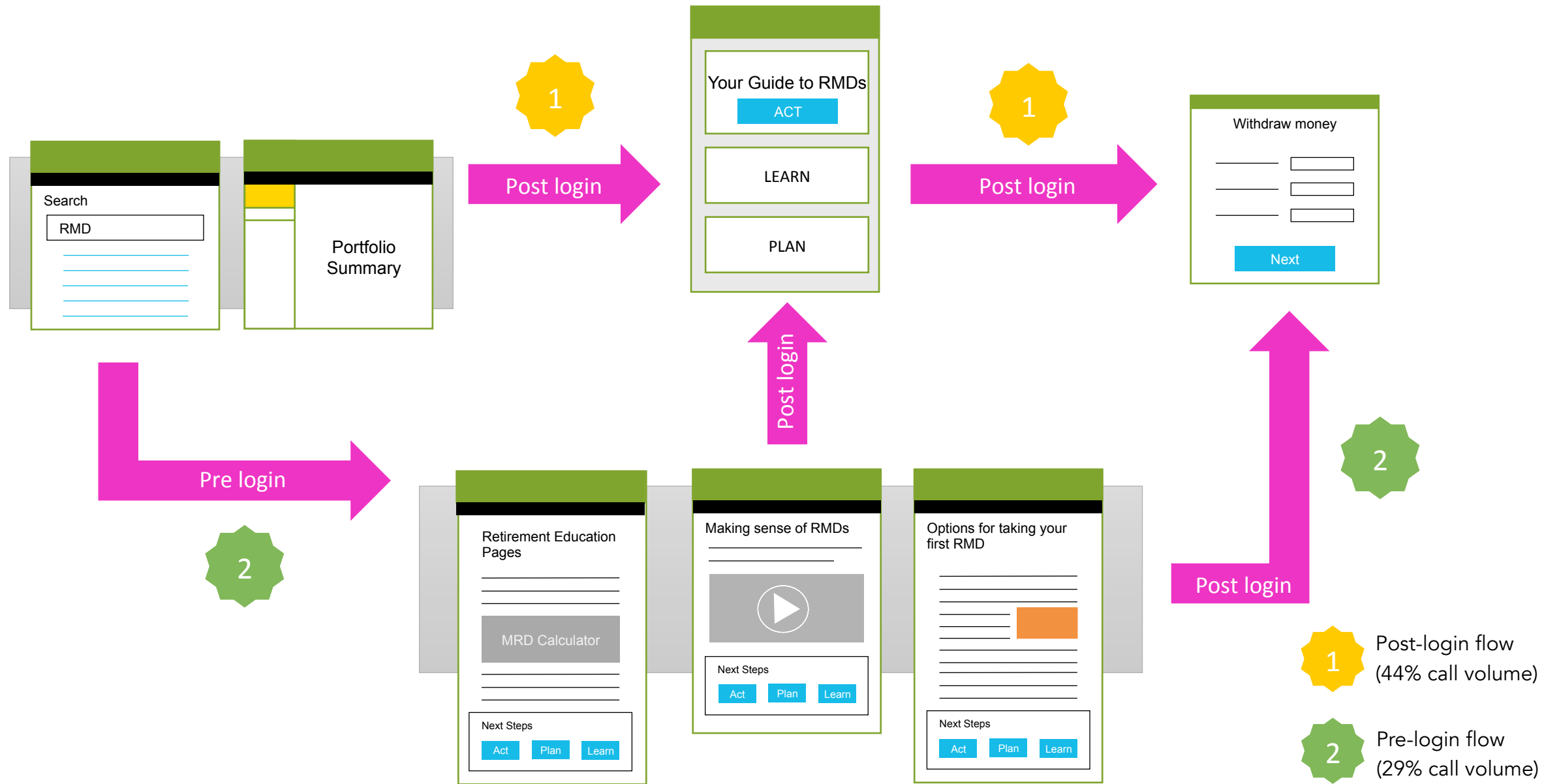
The goal of this strategy is to increase customer confidence.

**Simplicity** – simple design and clear language with a conversational tone

**Personalization** – remove the guesswork by providing a personalized experience whenever possible

**Customer Journey** – surface the right content at the right time instead of pushing products

# Developing the new customer journey







## Your guide to required minimum distributions

Now that you're 70½, you're required to withdraw a certain amount of money from your IRA each year. That amount is called a required minimum distribution (RMD).

### Your RMD

We've calculated your RMD for your Fidelity account. You have until **December 31, 2017\*** to withdraw \$15,043.15 from your IRA.

[Withdraw From Your IRA](#)

Estimated 2017 Fidelity RMD<sup>†</sup>

**\$15,043.15**

[How is my RMD calculated?](#)

### What you need to know



[When do I take my RMD?](#)



[How do I take my RMD?](#)



[Are there any penalties or fees?](#)

### How RMDs are taxed

Your RMD may be subject to both federal and state taxes, so we've estimated your tax withholding using the default rates. When you withdraw, you can change this rate or you

#### ESTIMATED TAX WITHHOLDING

|                     |             |
|---------------------|-------------|
| Federal taxes (10%) | -\$1,504.32 |
|---------------------|-------------|

# Establishing a content hierarchy

Using existing call listening data and after speaking with RMD phone representatives, we were able to narrow down the main reasons why first time customers call.

1. RMD amount, calculation and online transaction CTA

2. What you need to know – the top 3 FAQs

3. Tax implications, estimates, and potential penalties

4. Fidelity's take on RMDs – thought leadership

5. Planning and tools – calculators and automatic withdrawals

6. Virtual Assistant customer service chat bot

# Guide to RMDs MVP1

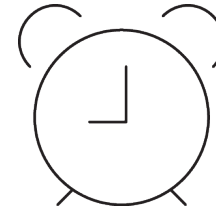
Giving the answers to the top questions asked by customers who are taking their first RMD, all on one page.



**85,000**  
calls per year



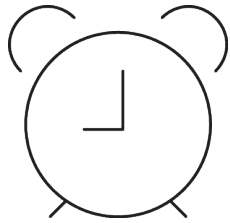
**130,000**  
# of first time RMD  
customers in 2017



**10:24**  
minutes per call

# The results are in!

We tested the Guide to RMDs against the current Retirement Distribution Center (RDC).



Average call time went down

**2 mins**



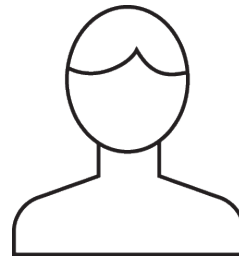
**78%**

more automatic withdrawal starts



Call volume went down

**27%**



**15.25%**

more customers took their RMD online