



OVERVIEW

Qualifying Longevity Annuity Contract (QLAC)

Individuals are allowed to defer the distribution of part of their qualified assets beyond age 73 through the purchase of a Qualifying Longevity Annuity Contract (QLAC).

Generally, traditional individual retirement accounts (IRAs) and qualified retirement plans (like 401(k)s) require that individuals start taking required minimum distributions (RMDs) that are generally taxable each year, by age 73.* QLACs provide an exception to the RMD requirement by allowing a QLAC to start making payments as late as age 85, meaning people can defer paying taxes on money that they may not need in early retirement.

Only deferred income annuity contracts that meet certain requirements can qualify as QLACs.

What are the criteria?

Eligible qualified accounts include 401(k)s, 403(b)s, governmental 457(b)s, or IRAs.

Contributions are subject to IRS limitations.

Income payments must begin no later than the first day of the month following the owner's attainment of age 85.

The annuity contract must be a fixed-rate deferred income annuity contract.

The annuity contract cannot have a liquidity or commutation feature.

Income payment options can be single life only, joint life only, single life with cash refund, or joint life with cash refund. New York Life requires that joint annuitants be spouses.

The issuing company must file information annually with the IRS regarding QLAC values and status.

New York Life allows the Guaranteed Future Income Annuity II (GFI) product to be designated as a QLAC, meaning retirees can delay taking withdrawals to optimize their retirement savings and better meet future financial goals.

The New York Life Guaranteed Future Income Annuity II is issued by New York Life Insurance and Annuity Corporation (NYLIAC) (A Delaware Corporation), a wholly owned subsidiary of New York Life Insurance Company. Products are available in jurisdictions where approved. Annuity guarantees are backed solely by the claims-paying ability of the issuer. The policy form number for the New York Life Guaranteed Future Income Annuity II is ICC11-P101 (it may be 211-P101).

*The income start date must be at least April 1 in the year after the year the owner turns age 73 (age 73 for a person who attains age 72 after December 31, 2022 and age 73 before January 1, 2033; age 75 for individuals who attain age 74 after December 31, 2032) and no later than the first day of the month following the owner's attainment of age 85.

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