ICMARC
BUILDING PUBLIC SECTOR RETIREMENT SECURITY

CORONAVIRUS-RELATED DISTRIBUTIONS (CRDs)

City of Long Beach

If you have been adversely affected by the coronavirus (COVID-19) pandemic, you may qualify for an in-service withdrawal from your retirement plan called a Coronavirus-Related Distribution (CRD).

What is a CRD?

The new Coronavirus Aid, Relief, and Economic Security (CARES) Act allows qualified employees to withdraw up to $100,000 total from their retirement plans.*

As a participant, you are eligible to take advantage of the new provision if:

- You have been diagnosed with COVID-19 by a test approved by the Centers for Disease Control and Prevention; or
- Your spouse or dependent is diagnosed with COVID-19 by such a test; or
- You have experienced adverse financial consequences as a result of:
  - being quarantined, furloughed or laid off; having work hours reduced; being unable to work due to lack of childcare due to COVID-19; closing or reducing hours of a business owned or operated by myself due to COVID-19; or experiencing a reduction in pay (or self-employment income) due to COVID-19; or having a job offer rescinded or start date for a job delayed due to COVID-19; or
  - closing or reducing hours of a business owned or operated by my spouse or a member of my household (someone who shares my principal residence) due to COVID-19; or
  - my spouse or a member of my household
    - being quarantined,
    - being furloughed or laid off, or having work hours reduced due to COVID-19,
    - being unable to work due to lack of childcare due to COVID-19,
    - having a reduction in pay (or self-employment income) due to COVID-19, or
    - having a job offer rescinded or start date for a job delayed due to COVID-19.

You will acknowledge when completing the withdrawal form that you meet one of the above qualifying criteria.

Additional Details

- The maximum withdrawal amount is $100,000 across all retirement plans and IRAs combined held by the participant.
- CRDs are exempt from the 10% penalty tax that typically applies to early withdrawals from qualified plans.
- The income tax liability can be spread over three years.
- A mandatory 20% federal withholding tax does not apply.

You also have the ability to repay the amount withdrawn back to a plan or an IRA over the next three years, in which case the distribution would not be subject to income tax. Note that the repayments will not count towards the contribution limits in effect for the year.

Additional Questions?

For more information on the loan suspension or to model a loan, you may log in to Account Access at **www.icmarc.org/login** or contact us at (800) 669-7400.

You can also visit our Coronavirus (COVID-19) Resource Center at **www.icmarc.org/resourcecenter** for updates.

** Maximum withdrawal amount of $100,000 is total amount across all retirement plans. Reach out to your employer to verify the plans offering CRDs as well as the maximum withdrawal amount for your plan(s).*