

Qualified Birth or Adoption Distributions from Retirement Plans under the SECURE ACT

The University of South Alabama, USA HealthCare Management, LLC, and the USA Health Care Authority retirement plans have adopted provisions allowed by the SECURE Act for distributions for a “qualified birth or adoption of a child” subject to meeting required criteria:

- Qualified birth or adoption distributions are limited to \$5,000 per birth or adoption, may be taken within one year of the date of birth or finalization of adoption, may not include the adoption of a child of the taxpayer’s spouse, and are limited to the adoption of children who are either under age 18 or are physically or mentally incapable of self-support.
- Qualified birth or adoption distributions are exempt from the 10% early distribution tax penalty, exempt from 20% mandatory federal tax withholding, and can be repaid to certain retirement plans and IRAs without regard to the usual 60-day time limit for rollovers.
- Qualified birth or adoption distributions are subject to optional federal income tax withholding. The default tax withholding is 10%.
- State income tax withholding may be required from your distribution.
- Qualified birth or adoption distributions are not available from your TIAA Traditional Annuity within Retirement Annuity (RA), Group Retirement Annuity (GRA) and Retirement Choice (RC) contracts.
- In the case of multiple births or adoptions, separate distribution forms must be completed for each qualifying child.

TIAA participants with questions regarding this type of withdrawal, please call **800-842-2252**.

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