

ICI Strongly Supports Saxton Proposal to Simplify Retirement Rules for Seniors, January 2003

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Washington, DC, January 9, 2003 - The Investment Company Institute, the national association of the mutual fund industry, today issued the following statement from Institute President Matthew P. Fink regarding legislation introduced by Rep. Jim Saxton (R-NJ) repealing the requirement that mandatory withdrawals by retirees from traditional Individual Retirement Arrangements (IRAs) must begin at age 70½:

“Financial security in retirement is the primary goal of mutual fund shareholders and the mutual fund industry strongly supports efforts to simplify the required minimum distribution rules for retirees. Under these complex rules, IRA owners are generally required to take distributions from their retirement accounts after reaching age 70½, even if they have other sources of current income and prefer to tap these accounts later in life, such as for long-term medical care. We commend Rep. Saxton for taking the initiative to help make the [required minimum distribution](#) rules more understandable and less burdensome to taxpayers. And we look forward to working with him to secure the passage of this important legislation.”