ED SLOTT AND COMPANY, LLC
America's IRA Experts

Matching Consumers with Educated Financial Advisors

Visit us online at www.IRAhelp.com

Avoiding Spousal Beneficiary Mistakes in 5 Easy Steps

Who is a spouse beneficiary? A spouse beneficiary must be married to the account owner at the time of the account owner's death, and he or she must be named on the beneficiary form (or inherit directly through the document default provisions). A spouse beneficiary has a number of unique options.

1. **Split the inherited account if necessary.** A spouse beneficiary can take advantage of the special spousal rules if they are the sole beneficiary of an IRA account. If other beneficiaries have been named, the spouse can still take advantage of these special provisions by transferring their portion of the inherited IRA to a separate account by December 31 of the year following the year of the IRA owner's death.

2. **Remaining a beneficiary.** A spouse beneficiary who keeps the account as an inherited account can defer RMDs until the year the deceased owner would have turned 73 and can use the Uniform Lifetime Table to calculate RMDs. This is automatic if the deceased owner died before his required beginning date for starting RMDs. The account should be retitled as a properly titled inherited IRA.

3. **Transfer the inherited IRA into a spouse beneficiary's account.** A younger spouse beneficiary should generally set up an inherited IRA in their own name. Once a younger spouse beneficiary reaches age 59½, there's usually no advantage to remaining a beneficiary, and a spousal rollover should be done. NO other beneficiary has this option. By doing this rollover, a surviving spouse ensures that eligible designated beneficiaries will be able to stretch distributions over their own life expectancies.

4. **Name new beneficiaries.** A surviving spouse should name their own beneficiaries. If no beneficiaries have been named and the surviving spouse dies, the remaining assets will pass according to the default provisions in the custodial document. This is frequently the estate of the now-deceased spouse, which could require a shorter payout period for beneficiaries or add unnecessary time and expenses by tying the assets up in probate.

5. **Consider a disclaimer.** Before taking any action regarding an inherited IRA, a surviving spouse should evaluate whether a full or partial disclaimer would be advantageous. By using a disclaimer, some or all of the inherited IRA can be passed to contingent beneficiaries.

AMERICA'S IRA EXPERTS

100 Merrick Road, Suite 200E, Rockville Centre, New York 11570

800-663-1340 toll-free ▪ 516-536-8282 telephone

516-536-8852 fax ▪ info@irahelp.com

© 2026 Ed Slott and Company, LLC

For More IRA Expertise

website: irahelp.com
blog: irahelp.com/slottreport
X: @theslottreport
facebook: /AmericasIRAExperts