



DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, D. C. 20224

OFFICE OF THE CHIEF COUNSEL

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Attention:

Dear Representative Kean:

I'm responding to your June 12, 2024, inquiry on behalf of your constituent, . She asked about her penalty for a withdrawal from an individual retirement account (IRA).

You inquired whether there are any exceptions from penalties for early withdrawals from IRAs for individuals with debilitating and life-threatening illnesses who are under age 57. There is an exception for terminally individuals, as explained below, but it is not based on an age requirement.

Internal Revenue Code (Code) section 72(t)(2) imposes a 10% additional tax for early distributions from IRAs. The 10% additional tax applies to the part of the distribution that is includible in gross income and is in addition to the regular income tax on that amount.

Section 72(t)(2) does not apply for distributions after age 59.5 for any reason and distributions to individuals who meet the disability requirements in section 72(m)(7), for which there is no age requirement.

Section 72(t) includes other exceptions, including Code Section 72(t)(2)(L). Congress recently enacted Section 72(t)(2)(L) under section 326 of Division T of the Consolidated Appropriations Act, 2023, Pub. L. 117-328, 136 Stat. 4459 (2022), known as the SECURE 2.0 Act of 2022 (SECURE 2.0 Act), Section 72(t)(2)(L) is an exception from the 10% additional tax in the case of a distribution to a terminally ill individual.

There is no age requirement. Under this section, an individual is treated as terminally ill if a physician provides certification of an illness or physical condition reasonably expected to result in death in 84 months or less after the certification date. Section 326 of the SECURE 2.0 Act applies for distributions made on or after December 29, 2022 (the date of enactment of the SECURE 2.0 Act).

For more information on the exceptions to the additional tax under Code Section 72, you should visit the online site, [About Publication 590-B, Distributions from Individual Retirement Arrangements \(IRAs\) | Internal Revenue Service \(irs.gov\)](#).

I hope this information is helpful. If you have any additional questions, please contact our office at [redacted] or [redacted].

Sincerely,

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Office of the Associate Chief Counsel  
(Employee Plans, Exempt Organizations,  
and Employment Taxes)