



# REFUND CHECKLIST

**FORM 804**  
(REV. 2/2022)



Chicago Teachers' Pension Fund

Please use the checklist below for submitting your application for CTPF Refund. CTPF must have your completed application with all required forms and documents to process your application. Contact Member Services at 312.641.4464, or [MemberServices@ctpf.org](mailto:MemberServices@ctpf.org), if you have questions.

## IMPORTANT

CTPF will not process your application until all required forms have been received and your employer confirms your resignation.

## CTPF FORMS | Complete the following forms

### REQUIRED DOCUMENTS AND IDENTIFICATION

#### FORM 805

- APPLICATION FOR REFUND OF CONTRIBUTIONS**  
(completed, signed, and notarized)

#### FORM 840

- DISTRIBUTION/ROLLOVER CERTIFICATION: SEPARATION REFUND**  
(completed, signed, and completed by financial institution)

## REQUIRED DOCUMENTATION

### PHOTO IDENTIFICATION

A copy of your photo identification must be included with this application. Acceptable photo identification includes a valid driver's license, state identification, or current passport.

### ADDRESS UPDATES

Payment will be mailed to the most recent address on file in our system. If your address changes after filing this application, please contact Member Services at 312-641-4464 to receive a change of address form.

Member's Signature	Last 4-digits SSN or Member ID	Date
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### FOR OFFICE USE ONLY

Reviewer's Name	Reviewer's Signature	Date / /
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# INSTRUCTIONS FOR COMPLETING THE REFUND APPLICATION

**FORM 805**

(REV. 5/2023)

Chicago Teachers' Pension Fund 425 South Financial Place, Suite 1400 | Chicago, Illinois 60605-1000 312.641.4464 | Fax: 312.641.7185 | www.ctpf.org

## Application for Refund of Contributions

Read this form carefully and complete all information as requested. Please print clearly or type all information. Return the application packet including completed copies of CTPF Forms 804, 805, 820R (optional), and 840 (optional) along with the required documentation to CTPF at the address above. An incomplete packet will delay the processing of your refund.

### REFUND OF CONTRIBUTIONS

- This application is for a total refund of your CTPF contributions.
- You are eligible for a refund only if:
  - 1) you are not currently employed by CPS or an affiliated Charter or Contract School and;
  - 2) you have not been employed by either for at least 60 days.

Illinois law requires that CTPF verify this information. Your termination must be verified by your employer before a refund can be issued.

- By accepting a refund, you forfeit your right to all CTPF benefits including a future CTPF pension. If you return to service with CTPF or another Illinois public pension system and establish a minimum of two years of contributing service, you can reinstate forfeited pension credits by repaying the refund with interest.
- **Timing for Payment:** CTPF will audit your contributions prior to issuing payment. An audit can take up to 12 weeks and will commence after a completed application is on file, provided you have been separated from your employer for at least 60 days.

### INSTRUCTIONS FOR COMPLETING THIS APPLICATION

#### FORM 804 APPLICATION CHECK LIST

This form lists all the forms and documentation required to process your application. An incomplete application cannot be processed and will delay your refund.

#### FORM 805 APPLICATION FOR REFUND OF CONTRIBUTIONS

##### SECTION 1: MEMBER INFORMATION

Enter the requested information. Please print clearly.

##### SECTION 2: ACKNOWLEDGEMENT AND NOTARIZATION

Sign and date this form and have it notarized. The notary public must be a disinterested third party. Your application will be returned and your refund will be delayed if this document does not bear a valid notarization.

You must include a copy of your photo identification with this application. Acceptable documentation includes a current driver's license, state identification, or current passport.

#### FORM 820R (required only if you want CTPF to withhold more than the default amount)

CTPF is required by federal law to withhold federal taxes from the taxable portion of your refund not directly rolled over to an IRA or other qualified account/plan. If you are a U.S. citizen or resident alien, the default withholding rate is 20%. You can elect to have us withhold taxes at a higher rate if you complete and return Form 820R.

If you are not a U.S. citizen or resident alien, the default tax withholding rate is 30% unless you have submitted a valid IRS Form W-8BEN. Any portion that was previously taxed will be paid directly to you without withholding.

See the Special Tax Notice Regarding Plan Payments included with this packet for more withholding information.

#### FORM 840 DISTRIBUTION / ROLLOVER CERTIFICATION (required if you are electing a rollover)

This form gives CTPF instructions for the payout of your refund. The minimum amount for a rollover of funds is \$200.

If you intend to rollover all or a portion of your distribution, your financial institution **must** complete section 4 of Form 840. CTPF recommends that you file Form 840 at the same time as, or within one week of, your application. Additionally, CTPF will apply this selection to all future payments unless you later change your election with a new distribution/ rollover certification form.

**NOTE:** If Form 840 is not received within 14 days of your application being filed, your refund will/may be issued directly to you without any rollover.

If you meet minimum distribution requirements, based on IRS guidelines, CTPF is required to withhold a minimum distribution amount. This amount must be paid directly to you in the form of a cash distribution.

Call Member Services, 312.641.4464, if you have questions regarding the completion of this application.



Chicago Teachers' Pension Fund

# APPLICATION FOR REFUND OF CONTRIBUTIONS

**FORM 805**

(REV. 5/2023)

## SECTION 1: MEMBER INFORMATION (\*Required Field)

<b>Legal Name:</b> * First	M.I.	Last	<b>Last 4 digits SSN or Member ID:</b> *
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<b>Mailing Address:</b> * Street		apt. or unit no.	
City	State	Zip	<b>Telephone Number:</b> <i>(with area code)</i>

**E-mail Address:**

**Are you a citizen of the United States or a resident alien?**  Yes  No

## SECTION 2: CERTIFICATION

I certify that I no longer work for a Chicago Public School, a Chicago charter school or contract school in any capacity and that I do not intend to apply for reemployment under any conditions which would reinstate me as a member of the Chicago Teachers' Pension Fund (CTPF).

I hereby request a refund of all contributions made in my name to CTPF in accordance with the law governing such payments. I understand this refund will forfeit my future benefits including a monthly pension, a survivor pension, lump-sum death benefits, and access to CTPF's post-retirement health insurance programs. As such, I shall have no further interest or claim against CTPF.

I further understand that if I return to service with CTPF or another Illinois public pension system and establish a minimum

of 2 years of contributing service, I can reinstate forfeited pension credits by repaying the refund with interest.

I affirm that I fully understand my retirement options.

I further understand that if I intend to roll over funds, I must return form 840 within 14 days of filing my application. I understand that my refund may be issued direct to me if the form is not received in this time frame.

Having been fully advised and cautioned, and with full knowledge of the penalty under the law for any false statement, or for falsifying any record or report in an attempt to defraud the fund, I hereby certify that all of the above statements are true and correct.

<b>Member Signature</b> <i>(must be acknowledged before a Notary)</i>	<b>Date</b>
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## ACKNOWLEDGEMENT/NOTARIZATION

State of \_\_\_\_\_ County of \_\_\_\_\_

This instrument was acknowledged before me on \_\_\_\_\_ by \_\_\_\_\_  
Date (MM/DD/YYYY) Name of CTPF Member

\_\_\_\_\_  
Signature of Notary Public Commission Expiration Date

**(Seal or Stamp)**

\*IF SEAL OR STAMP IS MISSING APPLICATION IS NOT VALID

### IMPORTANT

*A copy of your valid drivers license, state identification, or current passport must accompany this application.*



# DISTRIBUTION/ROLLOVER CERTIFICATION: TERMINATION REFUND

**FORM  
840**  
(REV. 5/2023)

**PLEASE NOTE:** Only complete this form if you are electing a rollover of funds. Pages 1 and 2 must be submitted together.

## SECTION 1: INFORMATION MUST BE COMPLETED BY CTPF MEMBER (Sections 1 & 2 are required if electing rollover)

<b>Legal Name:</b> First	M.I.	Last	<b>Last 4-digits SSN or Member ID:</b>
<b>Mailing Address:</b> Street			apt. or unit no.
City	State	Zip Code	<b>Telephone Number:</b> (with area code)

TYPE OF DISTRIBUTION: TERMINATION REFUND

## SECTION 2: ROLLOVER ELECTION

Submit this form if you wish to rollover funds. If you do not return this form, your distribution will automatically become payable to you, less any required federal tax withholding. See the accompanying special tax notice for more information. If you wish to rollover funds to multiple institutions, a separate form is required for each institution.

- A.**  Roll over the eligible TAXABLE amount and make payable to the IRA or qualified plan named below. Any non-taxable portion will be paid directly to me. If you meet minimum distribution requirements, based on IRS guidelines, CTPF is required to withhold a minimum distribution amount. This amount is taxable and must be paid to you in the form of a cash distribution. (The minimum rollover amount is \$200.)
- B.**  Roll over \_\_\_\_\_% OR \$ \_\_\_\_\_ of the eligible TAXABLE amount. Enter either a percentage or a dollar amount. The percentage or dollar amount indicated will be rolled over to the IRA or qualified plan named below. (The minimum rollover amount is \$200.)

CTPF is required to withhold 20% from the portion of the distribution paid directly to you. You may elect additional federal tax withholding by completing and returning CTPF Form 820R. Different withholding rules apply if you are not a U.S. citizen or resident alien.

- I am rolling over funds to multiple institutions and will be providing a CTPF Form 840 for each institution.

## SECTION 3: CHOOSE PAYMENT DISTRIBUTION FOR NON-TAXABLE PORTION

Submit this form if you wish to rollover any NON-TAXABLE funds. If you do not return this form, your distribution will be distributed directly to you. See the accompanying special tax notice about your rollover options for more information. If you wish to rollover funds to multiple institutions, a separate form is required for each institution.

- A.**  Roll over the NON-TAXABLE portion and make payable to the IRA or qualified plan named below. The non-taxable portion cannot be rolled over to a governmental 457(b) plan. (The minimum rollover amount is \$200.)
- B.**  Roll over \_\_\_\_\_% OR \$ \_\_\_\_\_ of the NON-TAXABLE amount and pay the remaining balance of my account directly to me. Enter either a percentage or a dollar amount. The percentage or dollar amount indicated will be rolled over to the the IRA or qualified plan named below. The non-taxable portion cannot be rolled over to a governmental 457(b) plan. (The minimum rollover amount is \$200.)

- I am rolling over funds to multiple institutions and will be providing a CTPF Form 840 for each institution.

<b>Member Signature:</b>	<b>Date:</b>
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**IMPORTANT**

The information requested below must be completed by the Financial Institution receiving rollover funds under the rollover election. You are responsible for contacting your Financial Institution/ Plan Administrator and obtaining the forms required to complete the rollover transaction.

**SECTION 4 – FINANCIAL INSTITUTION**

CTPF is a qualified plan under section 401(a) of the Internal Revenue Code. A distribution/rollover check will be mailed to the address provided in this section.

**Financial Institution Name** \_\_\_\_\_  
(Check payable to)

**Address** \_\_\_\_\_  
(Check mailed to)

**City** \_\_\_\_\_ **State** \_\_\_\_\_ **Zip** \_\_\_\_\_

**Contact Name/Title** (print) \_\_\_\_\_  
(Financial institution representative)

**Account Number**

**Phone number** \_\_\_\_\_

**Email** \_\_\_\_\_

**Account Type:** (select one)

- IRA                       403(b)
- 401                         457
- ROTH IRA (no withholding by default, submit Form 840R to change)
- Other (explain) \_\_\_\_\_

I certify that this account is an individual retirement account or a qualified plan, and is eligible to receive this rollover distribution.

<b>Financial Institution Authorized Signature:</b> <i>(Election not valid without signature)</i>	<b>Date</b>
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**YOUR ROLLOVER OPTIONS:**

You are receiving this notice because all or a portion of a payment you are receiving from the Chicago Teachers' Pension Fund is eligible to be rolled over to an IRA or an employer plan. This notice is intended to help you decide whether to do such a rollover. Rules that apply to most payments from a plan are described in the "General Information About Rollovers" section. Special rules that only apply in certain circumstances are described in the "Special Rules and Options" section.

**GENERAL INFORMATION ABOUT ROLLOVERS****How can a rollover affect my taxes?**

You will be taxed on a payment from the Plan if you **DO NOT** roll it over. If you are under age 59½ and **DO NOT** do a rollover, you will also have to pay a 10% additional income tax on early distributions (generally, distributions made before age 59½), unless an exception applies. However, if you do a rollover, you will not have to pay tax until you receive payments later and the 10% additional income tax will not apply if those payments are made after you are age 59½ (or if an exception to the 10% additional income tax applies).

**What types of retirement accounts and plans may accept my rollover?**

You may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity) or an employer plan (a tax-qualified plan, section 403(b) plan, or governmental section 457(b) plan) that will accept the rollover. The rules of the IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the IRA or employer plan. Further, the amount rolled over will become subject to the tax rules that apply to the IRA or employer plan.

**How do I do a rollover?**

There are two ways to do a rollover. You can do either a direct rollover or a 60-day rollover.

1. **If you do a direct rollover**, the Plan will make the payment directly to your IRA or an employer plan. You should contact the IRA sponsor or the administrator of the employer plan for information on how to do a direct rollover.
2. **If you do not do a direct rollover**, you may still do a rollover by making a deposit into an IRA or eligible employer plan that will accept it. Generally, you will have 60 days after you receive the payment to make the deposit. If you do not do a direct rollover, the Plan is required to withhold 20% of the payment for federal income taxes. This means that, in order to roll over the entire payment in a 60-day rollover, you must use other funds to make up for the 20% withheld. If you do not roll over the entire amount of the payment, the portion not rolled over will be taxed and will be subject to the 10% additional income tax on early distributions if you are under age 59½ (unless an exception applies).

**How much may I roll over?**

If you wish to do a rollover, you may roll over all or part of the amount eligible for rollover. Any payment from the

Plan is eligible for rollover, except:

- Certain payments spread over a period of at least 10 years or over your life or life expectancy (or the joint lives or joint life expectancies of you and your beneficiary)
- Required minimum distributions after age 70½ (if you were born before July 1, 1949), after age 72 (if you were born after June 30, 1949), after age 73 or the otherwise applicable age (if you were born on or after January 1, 1951), or after death; and
- Corrective distributions of contributions that exceed tax law limitations.

The Plan administrator or the payor can tell you what portion of a payment is eligible for rollover.

**If I don't do a rollover, will I have to pay the 10% additional income tax on early distributions?**

If you are under age 59½, you will have to pay the 10% additional income tax on early distributions for any payment from the plan (including amounts withheld for income tax) that you do not roll over, unless one of the exceptions listed below applies. This tax applies to the part of the distribution that you must include in income and is in addition to the regular income tax on the payment not rolled over. The 10% additional income tax does not apply to the following payments from the Plan:

- Payments made after you separate from service if you will be at least age 55 in the year of the separation;
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the joint lives or joint life expectancies of you and your beneficiary);
- Payments from a governmental plan made after you separate from service if you are a qualified public safety employee and you will be at least age 50 or have 25 or more years in the Plan in the year of the separation;
- Payments made due to disability;
- Payments after your death;
- Corrective distributions of contributions that exceed tax law limitations;
- Payments made directly to the government to satisfy a federal tax levy;
- Payments made under a qualified domestic relations order (QDRO);
- Payments up to the amount of your deductible medical expenses (without regard to whether you itemize deductions for the taxable year);
- Payments of up to \$22,000 made to you if the payment is a qualified disaster recovery distribution; and
- Payments made to you if you are terminally ill.

**If I do a rollover to an IRA, will the 10% additional income tax apply to early distributions from the IRA?**

If you receive a payment from an IRA when you are under age 59½, you will have to pay the 10% additional income tax on early distributions on the part of the distribution that you must include in income, unless an exception applies. In general, the exceptions to the 10% additional income tax for early distributions from an IRA are the same as the exceptions listed above for early distributions

from a plan. However, there are a few differences for payments from an IRA, including:

- The exception for payments made after you separate from service if you will be at least age 55 in the year of the separation (or age 50 or have 25 or more years of service in the Plan for qualified public safety employees) does not apply;
- The exception for "QDROs" does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse); and
- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.

Additional exceptions apply for payments from an IRA, including:

1. payments for qualified higher education expenses;
2. payments up to \$10,000 used in a qualified first-time home purchase; and
3. payments after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

**Will I owe State income taxes?**

This notice does not address any State or local income tax rules (including withholding rules).

**SPECIAL RULES AND OPTIONS**

**If your payment includes after-tax contributions** After-tax contributions included in a payment are not taxed. If you receive a partial payment of your total benefit, an allocable portion of your after-tax contributions is included in the payment, so you cannot take a payment of only after-tax contributions. However, if you have pre-1987 after-tax contributions maintained in a separate account, a special rule may apply to determine whether the after-tax contributions are included in the payment. In addition, special rules apply when you do a rollover, as described below.

You may roll over to an IRA a payment that includes after-tax contributions through either a direct rollover or a 60-day rollover. You must keep track of the aggregate amount of the after-tax contributions in all of your IRAs (in order to determine your taxable income for later payments from the IRAs).

If you do a direct rollover of only a portion of the amount paid from the Plan and at the same time the rest is paid to you, the portion rolled over consists first of the amount that would be taxable if not rolled over. For example, assume you are receiving a distribution of \$12,000, of which \$2,000 is after-tax contributions. In this case, if you directly roll over \$10,000 to an IRA that is not a Roth IRA, no amount is taxable because the \$2,000 amount not rolled over is treated as being after-tax contributions. If you do a direct rollover of the entire amount paid from the Plan to two or more destinations at the same time, you can choose which destination receives the after-tax contributions.

Similarly, if you do a 60-day rollover to an IRA of only a portion of a payment made to you, the portion rolled over consists first of the amount that would be taxable if not rolled over. For example, assume you are receiving a distribution of \$12,000, of which \$2,000 is after-tax contributions, and no part of the distribution is directly rolled over. In this case, if you roll over \$10,000 to an IRA that is not a Roth IRA in a 60-day rollover, no amount is taxable because the \$2,000 amount not rolled over is treated as being after-tax contributions.

You may roll over to an employer plan all of a payment that includes after-tax contributions, but only through a direct rollover (and only if the receiving plan separately accounts for after-tax contributions and is not a governmental section 457(b) plan). You can do a 60-day rollover to an employer plan of part of a payment that includes after-tax contributions, but only up to the amount of the payment that would be taxable if not rolled over.

### **If you miss the 60-day rollover deadline**

Generally, the 60-day rollover deadline cannot be extended. However, the IRS has the limited authority to waive the deadline under certain extraordinary circumstances, such as when external events prevented you from completing the rollover by the 60-day rollover deadline. Under certain circumstances, you may claim eligibility for a waiver of the 60-day rollover deadline by making a written self-certification. Otherwise, to apply for a waiver from the IRS, you must file a private letter ruling request with the IRS. Private letter ruling requests require the payment of a nonrefundable user fee. For more information, see IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*.

### **If you were born on or before January 1, 1936**

If you were born on or before January 1, 1936, and receive a lump sum distribution that you do not roll over, special rules for calculating the amount of the tax on the payment might apply to you. For more information, see IRS Publication 575, *Pension and Annuity Income*.

### **If you are an eligible retired public safety officer and your payment is used to pay for health coverage or qualified long-term care insurance**

If the Plan is a governmental plan, you retired as a public safety officer, and your retirement was by reason of disability or was after normal retirement age, you can exclude from your taxable income plan payments paid as premiums to an accident or health plan (or a qualified long-term care insurance contract) for you, your spouse, or your dependents, up to a maximum of \$3,000 annually. For this purpose, a public safety officer is a law enforcement officer, firefighter, chaplain, or member of a rescue squad or ambulance crew.

### **If you roll over your payment to a Roth IRA**

If you roll over a payment from the Plan to a Roth IRA, a special rule applies under which the amount of the payment rolled over (reduced by any after-tax amounts) will be taxed. In general, the 10% additional income tax on early distributions will not apply. However, if you take the amount rolled over out of the Roth IRA within the 5-year period that begins on January 1 of the year of the rollover, the 10% additional income tax will apply (unless an exception applies).

If you roll over the payment to a Roth IRA, later payments from the Roth IRA that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a Roth IRA is a payment made after you are age 59½ (or after your death or disability, or as a qualified first-time home buyer distribution of up to \$10,000) and after you have had a Roth IRA for at least 5 years. In applying this 5-year rule, you count from January 1 of the year for which your first contribution was made to a Roth IRA. Payments from the Roth IRA that are not qualified distributions will be taxed to the extent of earnings after the rollover, including the 10% additional income tax on early distributions (unless an exception applies). You do not have to take required minimum distributions from a Roth IRA during your lifetime.

For more information, see IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*, and IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*.

## **IF YOU ARE NOT A PLAN PARTICIPANT**

### **Payments after death of the participant**

If you receive a distribution after the participant's death that you do not roll over, the distribution generally will be taxed in the same manner described elsewhere in this notice. However, the 10% additional income tax on early distributions and the special rules for public safety officers do not apply, and the special rule described under the section "If you were born on or before January 1, 1936" applies only if the deceased participant was born on or before January 1, 1936.

### **If you are a surviving spouse**

If you receive a payment from the Plan as the surviving spouse of a deceased participant, you have the same rollover options that the participant would have had, as described elsewhere in this notice. In addition, if you choose to do a rollover to an IRA, you may treat the IRA as your own or as an inherited IRA.

An IRA you treat as your own is treated like any other IRA of yours, so that payments made to you before you are age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies) and required minimum distributions from your IRA do not have to start until after you are age 70½ (if you were born before July 1, 1949), after age 72 (if you were born after June 30, 1949), after age 73 or the otherwise applicable age (if you were born on or after January 1, 1951), or after death.

If you treat the IRA as an inherited IRA, payments from the IRA will not be subject to the 10% additional income tax on early distributions. However, if the participant had started taking required minimum distributions, you will have to receive required minimum distributions from the inherited IRA. If the participant had not started taking required minimum distributions from the Plan, you will not have to start receiving required minimum distributions from the inherited IRA until the year the participant would have been age 70½ (if the participant was born before July 1, 1949) or age 72 (if the participant was born after June 30, 1949), after age 73 or the otherwise applicable age (if the participant was born on or after January 1, 1951).

### **If you are a surviving beneficiary other than a spouse**

If you receive a payment from the Plan because of the participant's death and you are a designated beneficiary other than a surviving spouse, the only rollover option you have is to do a direct rollover to an inherited IRA. Payments from the inherited IRA will not be subject to the 10% additional income tax on early distributions. You will have to receive required minimum distributions from the inherited IRA.

### **Payments under a QDRO.**

If you are the spouse or former spouse of the participant who receives a payment from the Plan under a QDRO, you generally have the same options and the same tax treatment that the participant would have (for example, you may roll over the payment to your own IRA or an eligible employer plan that will accept it). However, payments under the QDRO will not be subject to the 10% additional income tax on early distributions.

### **If you are a nonresident alien**

If you are a nonresident alien and you do not do a direct rollover to a U.S. IRA or U.S. employer plan, instead of withholding 20%, the Plan is generally required to withhold 30% of the payment for federal income taxes. If the amount withheld exceeds the amount of tax you owe (as may happen if you do a 60-day rollover), you may request an income tax re-fund by filing Form 1040NR and attaching your Form 1042-S. See Form W-8BEN for claiming that you are entitled to a reduced rate of withholding under an income tax treaty. For more information, see also IRS Publication 519, *U.S. Tax Guide for Aliens*, and IRS Publication 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*.

### **Other special rules**

If a payment is one in a series of payments for less than 10 years, your choice whether to do a direct rollover will apply to all later payments in the series (unless you make a different choice for later payments).

If your payments for the year are less than \$200, the Plan is not required to allow you to do a direct rollover and is not required to withhold federal income taxes. However, you may do a 60-day rollover.

You may have special rollover rights if you recently served in the U.S. Armed Forces. For more information on special rollover rights related to the U.S. Armed Forces, see IRS Publication 3, *Armed Forces' Tax Guide*. You also may have special rollover rights if you were affected by a federally declared disaster (or similar event), or if you received a distribution on account of a disaster. For more information on special rollover rights related to disaster relief, see the IRS website at [www.irs.gov](http://www.irs.gov).

## **FOR MORE INFORMATION**

You may wish to consult with the Plan administrator or payor, or a professional tax advisor, before taking a payment from the Plan. Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, *Pension and Annuity Income*; IRS Publication 590 A, *Contributions to Individual Retirement Arrangements (IRAs)*; IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*; and IRS Publication 571, *Tax-Sheltered Annuity Plans (403(b) Plans)*. These publications are available from a local IRS office, on the web at [www.irs.gov](http://www.irs.gov), or by calling 1-800-TAX-FORM.

Form **W-4R**  
Department of the Treasury  
Internal Revenue Service

**Withholding Certificate for Nonperiodic Payments and Eligible Rollover Distributions**

OMB No. 1545-0074

**2023**

Give Form W-4R to the payer of your retirement payments.

1a First name and middle initial	Last name	1b Social security number
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Address \_\_\_\_\_

City or town, state, and ZIP code \_\_\_\_\_

Your withholding rate is determined by the type of payment you will receive.

- For nonperiodic payments, the default withholding rate is 10%. You can choose to have a different rate by entering a rate between 0% and 100% on line 2. Generally, you can't choose less than 10% for payments to be delivered outside the United States and its territories.
- For an eligible rollover distribution, the default withholding rate is 20%. You can choose a rate greater than 20% by entering the rate on line 2. You may not choose a rate less than 20%.

See page 2 for more information.

2 Complete this line if you would like a rate of withholding that is different from the default withholding rate. See the instructions on page 2 and the Marginal Rate Tables below for additional information. Enter the rate as a whole number (no decimals) . . . . .	<b>2</b>	%
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**Sign Here**

Your signature (This form is not valid unless you sign it.)	Date
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**General Instructions**

Section references are to the Internal Revenue Code.

**Future developments.** For the latest information about any future developments related to Form W-4R, such as legislation enacted after it was published, go to [www.irs.gov/FormW4R](http://www.irs.gov/FormW4R).

**Purpose of form.** Complete Form W-4R to have payers withhold the correct amount of federal income tax from your nonperiodic payment or eligible rollover distribution from an employer retirement plan, annuity (including a commercial annuity), or individual retirement arrangement (IRA). See page 2 for the rules and options that are available for each type of payment. Don't use Form W-4R for periodic payments (payments made in installments at regular

intervals over a period of more than 1 year) from these plans or arrangements. Instead, use Form W-4P, Withholding Certificate for Periodic Pension or Annuity Payments. For more information on withholding, see Pub. 505, Tax Withholding and Estimated Tax.

**Caution:** If you have too little tax withheld, you will generally owe tax when you file your tax return and may owe a penalty unless you make timely payments of estimated tax. If too much tax is withheld, you will generally be due a refund when you file your tax return. Your withholding choice (or an election not to have withholding on a nonperiodic payment) will generally apply to any future payment from the same plan or IRA. Submit a new Form W-4R if you want to change your election.

**2023 Marginal Rate Tables**

You may use these tables to help you select the appropriate withholding rate for this payment or distribution. Add your income from all sources and use the column that matches your filing status to find the corresponding rate of withholding. See page 2 for more information on how to use this table.

Single or Married filing separately		Married filing jointly or Qualifying surviving spouse		Head of household	
Total income over—	Tax rate for every dollar more	Total income over—	Tax rate for every dollar more	Total income over—	Tax rate for every dollar more
\$0	0%	\$0	0%	\$0	0%
13,850	10%	27,700	10%	20,800	10%
24,850	12%	49,700	12%	36,500	12%
58,575	22%	117,150	22%	80,650	22%
109,225	24%	218,450	24%	116,150	24%
195,950	32%	391,900	32%	202,900	32%
245,100	35%	490,200	35%	252,050	35%
591,975*	37%	721,450	37%	598,900	37%

\* If married filing separately, use \$360,725 instead for this 37% rate.



## General Instructions (continued)

**Nonperiodic payments—10% withholding.** Your payer must withhold at a default 10% rate from the taxable amount of nonperiodic payments **unless** you enter a different rate on line 2. Distributions from an IRA that are payable on demand are treated as nonperiodic payments. Note that the default rate of withholding may not be appropriate for your tax situation. You may choose to have no federal income tax withheld by entering “-0-” on line 2. See the specific instructions below for more information. Generally, you are not permitted to elect to have federal income tax withheld at a rate of less than 10% (including “-0-”) on any payments to be delivered outside the United States and its territories.

**Note:** If you don't give Form W-4R to your payer, you don't provide an SSN, or the IRS notifies the payer that you gave an incorrect SSN, then the payer must withhold 10% of the payment for federal income tax and can't honor requests to have a lower (or no) amount withheld. Generally, for payments that began before 2023, your current withholding election (or your default rate) remains in effect unless you submit a Form W-4R.

**Eligible rollover distributions—20% withholding.** Distributions you receive from qualified retirement plans (for example, 401(k) plans and section 457(b) plans maintained by a governmental employer) or tax-sheltered annuities that are eligible to be rolled over to an IRA or qualified plan are subject to a 20% default rate of withholding on the taxable amount of the distribution. You can't choose withholding at a rate of less than 20% (including “-0-”). Note that the default rate of withholding may be too low for your tax situation. You may choose to enter a rate higher than 20% on line 2. Don't give Form W-4R to your payer unless you want more than 20% withheld.

Note that the following payments are **not** eligible rollover distributions: (a) qualifying “hardship” distributions, and (b) distributions required by federal law, such as required minimum distributions. See Pub. 505 for details. See also *Nonperiodic payments—10% withholding* above.

**Payments to nonresident aliens and foreign estates.** Do not use Form W-4R. See Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities, and Pub. 519, U.S. Tax Guide for Aliens, for more information.

**Tax relief for victims of terrorist attacks.** If your disability payments for injuries incurred as a direct result of a terrorist attack are not taxable, enter “-0-” on line 2. See Pub. 3920, Tax Relief for Victims of Terrorist Attacks, for more details.

## Specific Instructions

### Line 1b

For an estate, enter the estate's employer identification number (EIN) in the area reserved for “Social security number.”

### Line 2

**More withholding.** If you want more than the default rate withheld from your payment, you may enter a higher rate on line 2.

**Less withholding (nonperiodic payments only).** If permitted, you may enter a lower rate on line 2 (including “-0-”) if you want less than the 10% default rate withheld from your payment. If you have already paid, or plan to pay, your tax on this payment through other withholding or estimated tax payments, you may want to enter “-0-”.

**Suggestion for determining withholding.** Consider using the Marginal Rate Tables on page 1 to help you select the appropriate withholding rate for this payment or distribution. The tables are most accurate if the appropriate amount of tax on all other sources of income, deductions, and credits has been paid through other withholding or estimated tax payments. If the appropriate amount of tax on those sources of income has not been paid through other withholding or estimated tax payments, you can pay that tax through withholding on this payment by entering a rate that is greater than the rate in the Marginal Rate Tables.

The marginal tax rate is the rate of tax on each additional dollar of income you receive above a particular amount of income. You can use the table for your filing status as a guide to find a rate of withholding for amounts above the total income level in the table.

To determine the appropriate rate of withholding from the table, do the following. Step 1: Find the rate that corresponds with your total income not including the payment. Step 2: Add your total income and the taxable amount of the payment and find the corresponding rate.

If these two rates are the same, enter that rate on line 2. (See *Example 1* below.)

If the two rates differ, multiply (a) the amount in the lower rate bracket by the rate for that bracket, and (b) the amount in the higher rate bracket by the rate for that bracket. Add these two numbers; this is the expected tax for this payment. To get the rate to have withheld, divide this amount by the taxable amount of the payment. Round up to the next whole number and enter that rate on line 2. (See *Example 2* below.)

If you prefer a simpler approach (but one that may lead to overwithholding), find the rate that corresponds to your total income including the payment and enter that rate on line 2.

**Examples.** Assume the following facts for *Examples 1* and *2*. Your filing status is single. You expect the taxable amount of your payment to be \$20,000. Appropriate amounts have been withheld for all other sources of income and any deductions or credits.

**Example 1.** You expect your total income to be \$60,000 without the payment. Step 1: Because your total income without the payment, \$60,000, is greater than \$58,575 but less than \$109,225, the corresponding rate is 22%. Step 2: Because your total income with the payment, \$80,000, is greater than \$58,575 but less than \$109,225, the corresponding rate is 22%. Because these two rates are the same, enter “22” on line 2.

**Example 2.** You expect your total income to be \$42,500 without the payment. Step 1: Because your total income without the payment, \$42,500, is greater than \$24,850 but less than \$58,575, the corresponding rate is 12%. Step 2: Because your total income with the payment, \$62,500, is greater than \$58,575 but less than \$109,225, the corresponding rate is 22%. The two rates differ. \$16,075 of the \$20,000 payment is in the lower bracket (\$58,575 less your total income of \$42,500 without the payment), and \$3,925 is in the higher bracket (\$20,000 less the \$16,075 that is in the lower bracket). Multiply \$16,075 by 12% to get \$1,929. Multiply \$3,925 by 22% to get \$863.50. The sum of these two amounts is \$2,792.50. This is the estimated tax on your payment. This amount corresponds to 14% of the \$20,000 payment (\$2,792.50 divided by \$20,000). Enter “14” on line 2.

**Privacy Act and Paperwork Reduction Act Notice.** We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to provide this information only if you want to (a) request additional federal income tax withholding from your nonperiodic payment(s) or eligible rollover distribution(s); (b) choose not to have federal income tax withheld from your nonperiodic payment(s), when permitted; or (c) change a previous Form W-4R (or a previous Form W-4P that you completed with respect to your nonperiodic payments or eligible rollover distributions). To do any of the aforementioned, you are required by sections 3405(e) and 6109 and their regulations to provide the information requested on this form. Failure to provide this information may result in inaccurate withholding on your payment(s). Failure to provide a properly completed form will result in your payment(s) being subject to the default rate; providing fraudulent information may subject you to penalties.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S.

commonwealths and territories for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The average time and expenses required to complete and file this form will vary depending on individual circumstances. For estimated averages, see the instructions for your income tax return.

If you have suggestions for making this form simpler, we would be happy to hear from you. See the instructions for your income tax return.