

**West Virginia Consolidated Public Retirement Board (CPRB)  
Emergency Medical Services Retirement System (EMSRS)**

**IMPORTANT NOTICE**

Attached is an EMSRS Application for Refund of Accumulated Contributions, a "Your Rollover Options" notice and an IRS Form W-4R.

**NOTE:** If you withdraw your contributions, you will forfeit all retirement benefits under this system. If you still wish to withdraw your contributions, please mail the completed application to CPRB at the address on the top of Page 1.

**NOTE:** If you become reemployed by an employer participating in this retirement system while your refund application is being processed, CPRB will stop processing your refund request and you will remain a member of this retirement system.

**NOTE:** If a Qualified Domestic Relations Order (QDRO) has been entered against your benefits in this plan, you may not be able to withdraw your accumulated contributions until additional papers are completed. Staff from our office will notify you if this is the case.

**NOTE:** The default federal income tax withholding on the taxable portion of this distribution which is not rolled over is 20%. You may choose a different amount of federal income tax withholding between 21-100% by completing the enclosed IRS Form W-4R. Indicate on line 2 the percentage between 21-100% to be withheld from this distribution. **Do not submit IRS Form W-4R unless you want more than 20% withheld from the taxable portion of this distribution which is not rolled over.**

**DO NOT COMPLETE THIS FORM** if you attained age 72 before January 1, 2023, or attained age 72 after December 31, 2022 and have attained age 73 or will attain age 73 in the current calendar year. Instead, contact CPRB to obtain the correct form.

**DO NOT COMPLETE THIS FORM** if you are the beneficiary of a deceased member or retirant. Instead, contact CPRB to obtain the correct form.

If you have any questions, please contact CPRB at (800) 654-4406 or (304) 558-3570 and ask for the Refunds Department.



**West Virginia  
Consolidated Public Retirement Board (CPRB)**

601 57th Street SE, Suite 5  
Charleston, WV 25304  
304-558-3570 or 800-654-4406  
www.wvretirement.com

**Emergency Medical Services  
Retirement System (EMSRS)**

**Application for Refund of  
Accumulated Contributions**

**Section 1: Member Information**

Full Name		Social Security Number	CPRB ID
Date of Birth	Email	Telephone Number	
Member Mailing Address		City	State Zip Code

I certify that I have permanently left the employment of \_\_\_\_\_ on \_\_\_\_\_  
(Employer) (Month/Day/Year)

and this date is inclusive of all of my accumulated leave. This form is an official request for my accumulated contributions on deposit with the retirement system listed above. I understand that once my contributions are withdrawn, I am no longer a member of this retirement system and my credited service is likewise forfeited. I understand that by making this withdrawal I forfeit all rights to any retirement or disability annuity. I also understand that if I become employed by an employer participating in this retirement system while my refund application is being processed, CPRB will stop processing my request and I will remain a member of this retirement system. By signing this application and making an affirmative election indicating whether or not I wish to make a direct rollover, I acknowledge that I have received and read the attached "Your Rollover Options" notice and waive my right to the 30-day notice period described in the Notice Period section therein. Please note that it may take up to 6-8 weeks to receive this refund.

**Section 2: Method of Distribution**

Check only **one** of options 1-3 below. This selection shall be irrevocable 90 days after the date signed by you or as of the date the warrant is negotiated, whichever is earlier.

**Distribution Options**

1. I choose to have my entire accumulated contribution balance paid to me in the form of a **LUMP SUM DISTRIBUTION**. I understand that the CPRB is required to withhold the minimum of 20% of the taxable portion of my account for submission to the IRS, and that I do not submit IRS Form W-4R unless I want more than 20% withheld from this distribution. I understand that if I am under age 59-1/2, I may be subject to an additional 10% excise tax due to early withdrawal from a qualified retirement plan.

2. I choose to have \$ \_\_\_\_\_ of my accumulated contribution balance paid to me in the form of a **LUMP SUM DISTRIBUTION**, and the balance remaining paid in the form of a **DIRECT ROLLOVER** to the following institution(s):

(a) Name of Institution: \_\_\_\_\_ "Trustee for \_\_\_\_\_"  
Member's Name

Amount: \$ \_\_\_\_\_ Trustee account above is an: Eligible Employer Plan IRA Roth IRA

(b) Name of Institution: \_\_\_\_\_ "Trustee for \_\_\_\_\_"  
Member's Name

Amount: \$ \_\_\_\_\_ Trustee account above is an: Eligible Employer Plan IRA Roth IRA

Should any portion of my account not be eligible for a direct rollover, it will be paid to me in a lump sum distribution instead. I understand that the CPRB is required to withhold the minimum of 20% of any taxable portion paid to me for submission to the IRS, and that I do not submit IRS Form W-4R unless I want more than 20% withheld from this portion of my distribution. I understand that if I am under age 59-1/2, I may be subject to an additional 10% excise tax due to early withdrawal from a qualified retirement plan.

If there are both taxable and nontaxable amounts included in my account, I understand that the taxable amounts shall be allocated to my direct rollover(s) first and then (if not fully allocated) to my lump sum distribution. If I have designated more than one recipient of a direct rollover and there are both taxable and nontaxable amounts included in my direct rollover, I designate that the taxable amounts shall be allocated as follows: \_\_\_\_\_, and further certify that any institution designated to receive the nontaxable amounts is willing and able to accept after-tax contributions and will account for them as required by applicable law.

3. I choose to have my entire accumulated contribution balance paid in the form of a **DIRECT ROLLOVER** to the following institution(s):

(a) Name of Institution: \_\_\_\_\_ "Trustee for \_\_\_\_\_" Member's Name

Amount: \$ \_\_\_\_\_ Trustee account above is an:      Eligible Employer Plan      IRA      Roth IRA

(b) Name of Institution: \_\_\_\_\_ "Trustee for \_\_\_\_\_" Member's Name

Amount: \$ \_\_\_\_\_ Trustee account above is an:      Eligible Employer Plan      IRA      Roth IRA

If I have designated more than one recipient of a direct rollover and there are both taxable and nontaxable amounts included in my direct rollover, I designate that the taxable amounts shall be allocated as follows: \_\_\_\_\_ and further certify that any institution designated to receive the nontaxable amounts is willing and able to accept after-tax contributions and will account for them as required by applicable law.

**Note: Distributions made in the form of a DIRECT ROLLOVER are not subject to the mandatory 20% withholding rules detailed above.** Check with the Plan Administrator of the receiving plan to verify they are willing and able to accept the distribution. Nontaxable contributions generally are eligible for direct rollover only into IRAs (traditional or Roth) or certain employer plans that will accept these types of contributions. Check with the Plan Administrator of the receiving plan to see if nontaxable contributions will be accepted. It is important that you review the attached "Your Rollover Options" notice for details. **To avoid a delay in your payment, check with the Plan Administrator of the receiving plan to determine the correct financial institution name.**

### Section 3: Acknowledgment and Signature

I hereby acknowledge I have read and understand the information provided in this EMSRS Application for Refund of Accumulated Contributions, the attached "Your Rollover Options" notice and the attached IRS Form W-4R.

Signature	Date
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Should your mailing address change prior to your receipt of this distribution, contact CPRB and ask to speak with the Refunds Department.

**Mail your completed and signed application to the address at the top of Page 1.**

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

Department of the Treasury  
Internal Revenue Service

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

**2024**

<b>1a</b> First name and middle initial	Last name	<b>1b</b> 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.

<b>2</b>	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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<b>Sign Here</b>	<div style="border-bottom: 1px solid black; display: inline-block; width: 90%;"></div>	<div style="border-bottom: 1px solid black; display: inline-block; width: 80%;"></div>
	<b>Your signature</b> (This form is not valid unless you sign it.)	<b>Date</b>

**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.

**2024 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.

<b>Single or Married filing separately</b>		<b>Married filing jointly or Qualifying surviving spouse</b>		<b>Head of household</b>	
<i>Total income over—</i>	<b>Tax rate for every dollar more</b>	<i>Total income over—</i>	<b>Tax rate for every dollar more</b>	<i>Total income over—</i>	<b>Tax rate for every dollar more</b>
\$0	<b>0%</b>	\$0	<b>0%</b>	\$0	<b>0%</b>
14,600	<b>10%</b>	29,200	<b>10%</b>	21,900	<b>10%</b>
26,200	<b>12%</b>	52,400	<b>12%</b>	38,450	<b>12%</b>
61,750	<b>22%</b>	123,500	<b>22%</b>	85,000	<b>22%</b>
115,125	<b>24%</b>	230,250	<b>24%</b>	122,400	<b>24%</b>
206,550	<b>32%</b>	413,100	<b>32%</b>	213,850	<b>32%</b>
258,325	<b>35%</b>	516,650	<b>35%</b>	265,600	<b>35%</b>
623,950*	<b>37%</b>	760,400	<b>37%</b>	631,250	<b>37%</b>

\* If married filing separately, use \$380,200 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 2024, 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 for purposes of these withholding rules:

- Qualifying “hardship” distributions;
- Distributions required by federal law, such as required minimum distributions;
- Generally, distributions from a pension-linked emergency savings account;
- Eligible distributions to a domestic abuse victim;
- Qualified disaster recovery distributions;
- Qualified birth or adoption distributions; and
- Emergency personal expense 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 \$62,000 without the payment. Step 1: Because your total income without the payment, \$62,000, is greater than \$61,750 but less than \$115,125, the corresponding rate is 22%. Step 2: Because your total income with the payment, \$82,000, is greater than \$61,750 but less than \$115,125, 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 \$43,700 without the payment. Step 1: Because your total income without the payment, \$43,700, is greater than \$26,200 but less than \$61,750, the corresponding rate is 12%. Step 2: Because your total income with the payment, \$63,700, is

greater than \$61,750 but less than \$115,125, the corresponding rate is 22%. The two rates differ. \$18,050 of the \$20,000 payment is in the lower bracket (\$61,750 less your total income of \$43,700 without the payment), and \$1,950 is in the higher bracket (\$20,000 less the \$18,050 that is in the lower bracket). Multiply \$18,050 by 12% to get \$2,166. Multiply \$1,950 by 22% to get \$429. The sum of these two amounts is \$2,595. This is the estimated tax on your payment. This amount corresponds to 13% of the \$20,000 payment (\$2,595 divided by \$20,000). Enter "13" on line 2.

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**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.



## YOUR ROLLOVER OPTIONS

You are receiving this notice because all or a portion of a payment you are receiving from a plan administered by the **West Virginia Consolidated Retirement Board** (the “Plan”) is or may be 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. This tax notice does not apply to participants in the Teachers’ Defined Contribution Plan (TDC). If you are a participant in the TDC plan, please refer to the tax notice distributed by the TDC’s third party administrator.

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.

This Notice is designed to satisfy the requirements of Section 402(f) of the Internal Revenue Code. If you have additional questions after reading this notice, you can contact the West Virginia Consolidated Public Retirement Board at (304) 558-3570 or 1-800-654-4406.

### **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 section 401(a) 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 (for example, IRAs are not subject to spousal consent rules, and IRAs may not provide loans). 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.

*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.

*If you do not do a direct rollover*, then unless you are a surviving beneficiary other than a spouse (see “SPECIAL RULES AND OPTIONS – If you are not a Plan participant” below) 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 (up to the amount of cash and property received other than employer stock). 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. The Plan administrator can tell you what portion of a payment is 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 the applicable age (which is 72 if you attain age 72 before January 1, 2023, or 73 if you attain age 72 after December 31, 2022 and will attain age 73 before January 1, 2033), or after death;
- Corrective distributions of contributions that exceed tax law limitations;
- Loans treated as deemed distributions (for example, loans in default due to missed payments before your employment ends); and
- Distributions of certain premiums for health and accident insurance.

**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 59<sup>1/2</sup>, 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 attained 25 years of service 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);
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001 for more than 179 days;
- Payments excepted from the additional income tax by federal legislation relating to certain emergencies and disasters; and
- Phased retirement payments made to federal employees.

**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 59<sup>1/2</sup>, 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 attained 25 years of service in the plan for qualified public safety employees) does not apply;
- The exception for qualified domestic relations orders (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:

- Payments for qualified higher education expenses;
- Payments up to \$10,000 used in a qualified first-time home purchase; and
- Payments for health insurance premiums 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 have an outstanding loan that is being offset**

If you have an outstanding loan from the Plan, your Plan benefit may be offset by the outstanding amount of the loan, typically when your employment ends. The offset amount is treated as a distribution to you at the time of the offset. Generally, you may roll over all or any portion of the offset amount. Any offset amount that is not rolled over will be taxed (including the 10% additional income tax on early distributions, unless an exception applies). You may roll over offset amounts to an IRA or an employer plan (if the terms of the employer plan permit the plan to receive plan loan offset rollovers).

How long you have to complete the rollover depends on what kind of plan loan offset you have. If you have a qualified plan loan offset, you will have until your tax return due date (including extensions) for the tax year during which the offset occurs to complete your rollover. A qualified plan loan offset occurs when a plan loan in good standing is offset because your employer plan terminates, or because you sever from employment. If your plan loan offset occurs for any other reason (such as a failure to make level loan repayments that results in a deemed distribution), then you have 60 days from the date the offset occurs to complete your rollover.

### **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 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 homebuyer 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)*.

You should consult a tax advisor if you are interested in rolling over your distribution to a Roth IRA. You cannot roll over a distribution from the Plan to a designated Roth account in another employer's plan.

### **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 the applicable age (which is 72 if you attain age 72 before January 1, 2023, or 73 if you attain age 72 after December 31, 2022 and will attain age 73 before January 1, 2033).

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 attained the applicable age (which is 72 if he/she would have attained age 72 before January 1, 2023, or 73 if he/she would have attained age 72 after December 31, 2022 and age 73 before January 1, 2033).

#### ***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.

### ***Life expectancy treatment of single sum distributions***

If you are receiving a single sum distribution of the deceased participant's account balance because an annuity is not available, you may be able to elect life expectancy treatment of this distribution, which might have certain tax advantages for you. There are limitations on the timing of this election, so you should consult your personal tax advisor promptly to see if this option makes sense for you.

### **Payments under a qualified domestic relations order**

If you are the spouse or former spouse of the participant who receives a payment from the Plan under a qualified domestic relations order (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 refund 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 (not including payments from a designated Roth account in the Plan), the Plan is not required by federal law 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).

### **NOTICE PERIOD**

Generally, payment cannot be made from the Plan until at least 30 days after you receive this notice. Thus, you have at least 30 days to consider whether or not to have your payment directly rolled over. If you do not wish to wait until this 30-day notice period ends before your election is processed, you may waive the notice period by making an affirmative election indicating whether or not you wish to make a direct rollover. Your payment will then be processed in accordance with your election as soon as practical after it is received by the Plan administrator.

### **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.