

Inherited Individual Retirement Account (IRA) Withdrawal Authorization

*Unless otherwise specified, the term IRA is used below to mean Traditional IRA and Roth IRA.
Refer to Page 3 for reporting information and Page 2 for additional withholding information.*

PART 1. ORIGINAL IRA OWNER

Name (First/Mi/Last) _____
 Social Security Number _____
 Date of Birth _____ Phone _____
 Email Address _____
 Member Number _____ Share ID _____

INHERITED ACCOUNT TYPE (Select one)

Traditional IRA Roth IRA

PART 2. IRA TRUSTEE OR CUSTODIAN

SchoolsFirst Federal Credit Union	
Attn: IRA Services	Overnight Address:
P.O. Box 11547	SchoolsFirst FCU
Santa Ana, CA 92711-1547	Attn: IRA Services
Phone: (800) 462-8328	1200 Edinger Ave.
Fax: (714) 258-4185	Tustin, CA 92780

PART 3. BENEFICIARY

This section should only be completed by a beneficiary taking a death withdrawal or transferring inherited IRA assets to another IRA.

Name (First/Mi/Last) _____	Address Line 1 _____
Tax ID (SSN/TIN) _____	Address Line 2 _____
Date of Birth _____ Phone _____	City/State/ZIP _____

PART 4. WITHDRAWAL INFORMATION

Total Withdrawal Amount \$ _____
 Withdrawal Date _____
 Full
 Partial

WITHDRAWAL REASON

Death Withdrawal by a Beneficiary (code 4)

PART 5. WITHHOLDING ELECTION (Form W-4P/OMB No. 1545-0074)

Your withholding election will remain in effect for any subsequent withdrawal unless you change or revoke the election.

FEDERAL WITHHOLDING (Select one)

Withhold _____% (Must be 10% or greater)
 Withhold \$ _____ (Must be 10% or greater)
 Do Not Withhold Federal Income Tax

CALIFORNIA STATE WITHHOLDING (If applicable, select one)

Withhold _____% (must be 1% or greater)
 Withhold \$ _____ (must be 1% or greater)
 Do Not Withhold State Income Tax

PART 6. DISTRIBUTION METHOD

Cash

Check (If the withdrawal reason is transfer to another IRA or direct rollover to an eligible employer-sponsored retirement plan, the check must be made payable to the receiving organization.)
 Make payable to _____

Internal Account
 Member Number _____ Share ID _____

Name of IRA Owner _____, Member Number _____

PART 7. SIGNATURES

I certify that I am authorized to receive payments from this IRA and that all the information I provided is true and accurate. I have received a copy of the Withholding Notice Information. No tax advice has been given to me by the trustee or custodian. All decisions regarding this withdrawal are my own, and I expressly assume responsibility for any consequences that may arise from this withdrawal. I agree that the trustee or custodian is not responsible for any consequences that may arise from processing this withdrawal authorization.

X _____
Signature of Recipient

Date (mm/dd/yyyy)

Witnessed and accepted by SchoolsFirst FCU as agent for custodian by:

Name of SchoolsFirst FCU Representative

Representative's User ID

WITHHOLDING NOTICE INFORMATION (Form W-4P/OMB No. 1545-0074)

Basic Information About Withholding From Pensions and Annuities. Generally, federal income tax withholding applies to the taxable part of payments made from pension, profit sharing, stock bonus, annuity, and certain deferred compensation plans; from IRAs; and from commercial annuities.

Caution: There may be penalties for not paying enough tax during the year, through either withholding or estimated tax payments. New retirees should see Publication 505, *Tax Withholding and Estimated Tax*. It explains the estimated tax requirements and penalties in detail. You may be able to avoid quarterly estimated tax payments by having enough tax withheld from your IRA using form W-4P.

Purpose of Form W-4P. Unless you elect otherwise, 10 percent federal income tax will be withheld from payments from individual retirement accounts (IRAs). You can use Form W-4P (or a substitute form, such as this form), provided by the trustee or custodian, to instruct your trustee or custodian to withhold no tax from your IRA payments or to withhold more than 10 percent. This substitute form should be used only for withdrawals from IRAs that are payable upon demand.

Nonperiodic Payments. Payments made from IRAs that are payable upon demand are treated as nonperiodic payments for federal income tax purposes. Generally, nonperiodic payments must have at least 10 percent income tax withheld.

Your election will remain in effect for any subsequent withdrawal unless you change or revoke it.

Payments Delivered Outside of the U.S. A U.S. citizen or resident alien may not waive withholding on any withdrawal delivered outside of the U.S. or its possessions. Withdrawals by a nonresident alien generally are subject to a tax withholding rate of 30 percent. A reduced withholding rate may apply if there is a tax treaty between the nonresident alien's country of residence and the United States and if the nonresident alien submits Form W-8BEN, *Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding*, or satisfies the documentation requirements as provided under federal regulations. The Form W-8BEN must contain the foreign person's taxpayer identification number.

For more information, Publication 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*, and Publication 519, *U.S. Tax Guide for Aliens*, are available on the IRS website at irs.gov or by calling (800) TAX-FORM or (800) 829-3676.

Revoking the Exemption From Withholding. If you want to revoke your previously filed exemption from withholding, file another Form W-4P with the trustee or custodian and check the appropriate box on that form.

Statement of Income Tax Withheld From Your IRA. By January 31 of next year, your trustee or custodian will provide a statement to you and to the IRS showing the total amount of your IRA distributions and the total federal income tax withheld during the year. Copies of Form W-4P will not be sent to the IRS by the trustee or custodian.

REPORTING INFORMATION APPLICABLE TO TRADITIONAL IRA AND SIMPLE IRA WITHDRAWALS

You must supply all requested information for the withdrawal so the trustee or custodian can properly report the withdrawal.

If you have any questions regarding a withdrawal, please consult a competent tax professional or refer to IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*, for more information. This publication is available on the IRS website at [irs.gov](https://www.irs.gov) or by calling (800) TAX-FORM or (800) 829-3676.

WITHDRAWAL REASON

IRA assets can be withdrawn at any time. Most IRA withdrawals are reported to the IRS. IRS rules specify the distribution code that must be used to report each withdrawal on IRS Form 1099-R, *Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.*

Transfer to Another IRA. Transfers are not reported on Form 1099-R. Transfers may be made by an IRA owner, beneficiary, or former spouse under a transfer due to a divorce. Inherited IRA assets may only be transferred to another inherited IRA, unless you are a spouse beneficiary.

Normal Withdrawal (Age 59½ or older). If you are age 59½ or older, withdrawals (including required minimum distributions) are reported on Form 1099-R using code 7.

Early Withdrawal (Under age 59½). If you are under age 59½, withdrawals for any reason not listed below are reported on Form 1099-R using code 1.

- **Disability.** If you are under age 59½ and disabled, withdrawals are reported on Form 1099-R using code 3.
- **Direct Conversion to a Roth IRA, Substantially Equal Periodic Payments, or IRS Levy.** If you are under age 59½, withdrawals due to direct conversions to a Roth IRA, substantially equal periodic payments, or IRS levy are reported on Form 1099-R using code 2. Certain distributions taken due to federally declared disasters also are reported using code 2. Please refer to the IRS website at [irs.gov](https://www.irs.gov) for more information and a listing of the disaster areas.
- **SIMPLE IRA Withdrawal in the First Two Years (No IRS penalty exception).** If you are under age 59½ and less than two years have passed since the first contribution to your SIMPLE IRA, withdrawals are reported on Form 1099-R using code S.

Death Withdrawal by a Beneficiary. Withdrawals by beneficiaries following the death of the original IRA owner are reported on Form 1099-R using code 4. Use code G with code 4 for a surviving spouse beneficiary who elects a direct rollover to an eligible employer-sponsored retirement plan.

Direct Rollover to an Eligible Employer-Sponsored Retirement Plan. Direct rollovers to eligible employer-sponsored retirement plans (Internal Revenue Code Section (IRC Sec.) 401(a) (e.g., 401(k), profit sharing, money purchase pension plan), annuity plan (IRC Sec. 403(a)), tax-sheltered annuity plan (IRC Sec. 403(b)), or governmental deferred compensation plan (IRC Sec. 457(b)) are reported on Form 1099-R using code G.

Prohibited Transaction. Prohibited transactions as defined in IRC Sec. 4975(c) are reported on Form 1099-R using code 5.

Excess Contribution Removed Before the Excess Removal Deadline. Excess contributions removed before the excess removal deadline (your tax filing deadline, including extensions) must include the net income attributable to the excess.

- If your excess contribution was contributed and removed in the same year, before the excess removal deadline, the withdrawal is reported on Form 1099-R using code 8. If you are under age 59½, also use code 1.
- If your excess contribution was contributed in one year and removed in the next year, before the excess removal deadline, the withdrawal is reported on Form 1099-R using code P. If you are under age 59½, also use code 1.

Excess Contribution Removed After the Excess Removal Deadline. If your excess contribution is removed after the excess removal deadline, the withdrawal is reported on Form 1099-R using code 1 if you are under age 59½ or code 7 if you are age 59½ or older.

SEP or SIMPLE IRA Excess Contribution Removed Under the EPCRS. Excess SEP or SIMPLE IRA contributions removed under the Employee Plans Compliance Resolution System (EPCRS) generally are reported on Form 1099-R using code E.

Recharacterization. A Traditional IRA contribution, including the net income attributable, may be recharacterized as a Roth IRA contribution up until your tax filing deadline, including extensions.

- Recharacterizations that occur in the same year for which the contribution was made are reported on Form 1099-R using code N.
- Recharacterizations that occur after the year for which the contribution was made are reported on Form 1099-R using code R.

Revocation of a Regular Contribution. Revocations of regular contributions are reported on Form 1099-R using code 8. If you are under age 59½ and earnings on the contribution are distributed, also use code 1.

Revocation of Rollover, Transfer, or SEP Contribution. Revocations of rollovers, transfers, or SEP plan contributions are reported on Form 1099-R using code 1 if you are under age 59½ or code 7 if you are age 59½ or older.