

# Roth IRA Withdrawal Authorization

To take a Distribution from your Roth Retirement Plan with DFCU Financial, we need the following:

- Completed and signed Roth IRA Withdrawal Authorization form. Please complete:
  - Your personal information
  - Indicate your Withdrawal Reason (generally age 59½ or older or under age 59½)
  - The Total Withdrawal Amount
  - Your Federal and State of Michigan Withholding Elections
  - The account from which you would like your distribution
  - Your desired Payment Method
- Complete and sign the Withholding Certificate for Michigan Pension or Annuity Payments (MI W-4P).

Once you have reviewed, printed, signed and dated the IRA forms, please make a copy for your records.

Please provide the requested information on the following forms and return to DFCU Financial, ATTN: IRA Department, PO BOX 610, Dearborn, MI 48121-9956.

If you have any questions regarding these IRA forms or your distribution, please contact an IRA Specialist at 888.336.2700.

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# WITHDRAWAL AUTHORIZATION

Refer to pages 2 and 3 of this form for reporting and withholding notice information.

## PART 1. ROTH IRA OWNER

Name (First/MI/Last) \_\_\_\_\_  
Social Security Number \_\_\_\_\_  
Date of Birth \_\_\_\_\_ Phone \_\_\_\_\_  
Email Address \_\_\_\_\_  
Account Number \_\_\_\_\_ Suffix \_\_\_\_\_

## PART 2. ROTH IRA TRUSTEE OR CUSTODIAN

To be completed by the Roth IRA trustee or custodian

Name \_\_\_\_\_  
Address Line 1 \_\_\_\_\_  
Address Line 2 \_\_\_\_\_  
City/State/ZIP \_\_\_\_\_  
Phone \_\_\_\_\_ Organization Number \_\_\_\_\_

## PART 3. BENEFICIARY OR FORMER SPOUSE INFORMATION

This section should only be completed by a beneficiary taking a death withdrawal or transferring inherited IRA assets to another IRA, or by a former spouse taking a withdrawal as a result of a court-approved property settlement due to divorce or legal separation.

Name (First/MI/Last) \_\_\_\_\_  
Tax ID (SSN/TIN) \_\_\_\_\_  
Date of Birth \_\_\_\_\_ Phone \_\_\_\_\_

Address Line 1 \_\_\_\_\_  
Address Line 2 \_\_\_\_\_  
City/State/ZIP \_\_\_\_\_

## PART 4. WITHDRAWAL INFORMATION

Total Withdrawal Amount \_\_\_\_\_  
Withdrawal Date \_\_\_\_\_  
 This Withdrawal Will Close This Roth IRA  
 The five-year period for qualified withdrawals has been satisfied.

### WITHDRAWAL REASON (Select one)

- 1. Transfer to Another Roth IRA
- 2. Age 59½ or Older
- 3. Under Age 59½ (Select a or b if applicable)
  - a. Disability
  - b. IRS Levy or Substantially Equal Periodic Payments
- 4. Death Withdrawal by a Beneficiary
- 5. Prohibited Transaction
- 6. Excess Contribution Removed Before the Excess Removal Deadline (Enter the net income attributable to the excess and select a or b)
 

Net Income Attributable \_\_\_\_\_

  - a. Excess Contributed and Removed in the Same Year
  - b. Excess Contributed in One Year and Removed in the Next Year
- 7. Excess Contribution Removed After the Excess Removal Deadline
- 8. Recharacterization (Enter the net income attributable to the recharacterized amount and select a or b)
 

Net Income Attributable \_\_\_\_\_

  - a. Same-Year Recharacterization
  - b. Prior-Year Recharacterization
- 9. Revocation (Enter the earnings amount and select a or b)
 

Earnings \_\_\_\_\_

  - a. Regular Contribution
  - b. Conversion Contribution
- 10. Revocation of Rollover or Transfer Contribution

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

Do not complete this section for a transfer, recharacterization, or if you are a nonresident alien.

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

### FEDERAL WITHHOLDING (Select one)

- Withhold \_\_\_\_\_ % (Must be 10% or greater)  
Withhold Additional Federal Income Tax of \$ \_\_\_\_\_ (If applicable)
- Do Not Withhold Federal Income Tax

### STATE WITHHOLDING (If applicable, select one)

- Name of Withholding State \_\_\_\_\_
- Withhold \_\_\_\_\_ %
  - Withhold \$ \_\_\_\_\_
  - Do Not Withhold State Income Tax

## PART 6. WITHDRAWAL SUMMARY

This section may be completed for informational purposes only.

Trustee or Custodian Penalties and Fees \_\_\_\_\_  
Gross Withdrawal Amount\* \_\_\_\_\_  
Federal Withholding Amount \_\_\_\_\_  
State Withholding Amount \_\_\_\_\_  
Net Amount Paid to Recipient \_\_\_\_\_

\* The gross withdrawal amount is the total withdrawal amount in Part 4 after any penalties and fees assessed by the trustee or custodian.

Name of Roth IRA Owner \_\_\_\_\_, Account Number \_\_\_\_\_

## PART 7. WITHDRAWAL INSTRUCTIONS

**ASSET HANDLING** *(Assets identified below will be liquidated immediately unless otherwise specified in the Special Instructions section.)*

Asset Description	Amount to be Withdrawn	Special Instructions
_____	_____	_____
_____	_____	_____
_____	_____	_____

### PAYMENT METHOD

- Cash**
- Check** *(If the withdrawal reason is transfer to another Roth IRA, the check must be made payable to the receiving organization.)*  
Make payable to \_\_\_\_\_
- Internal Account**  
Account Number \_\_\_\_\_ Type *(e.g., checking, savings, Roth IRA)* \_\_\_\_\_
- External Account** *(e.g., EFT, ACH, wire) (Additional documentation may be required and fees may apply.)*  
Name of Organization Receiving the Assets \_\_\_\_\_ Routing Number *(Optional)* \_\_\_\_\_  
Account Number \_\_\_\_\_ Type *(e.g., checking, savings, Roth IRA)* \_\_\_\_\_

## PART 8. SIGNATURES

I certify that I am authorized to receive payments from this Roth IRA and that all information provided by me 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)* \_\_\_\_\_

**X** \_\_\_\_\_  
Notary Public/Signature Guarantee *(If required by the trustee or custodian)* Date *(mm/dd/yyyy)* \_\_\_\_\_

**X** \_\_\_\_\_  
Authorized Signature of Trustee or Custodian Date *(mm/dd/yyyy)* \_\_\_\_\_

## 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 [www.irs.gov](http://www.irs.gov) or by calling 1-800-TAX-FORM.

**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.

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## REPORTING INFORMATION APPLICABLE TO ROTH IRA WITHDRAWALS

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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 [www.irs.gov](http://www.irs.gov) or by calling 1-800-TAX-FORM.

### WITHDRAWAL INFORMATION

Roth IRA assets can be withdrawn at any time. Most Roth 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.*

**Five-Year Period.** You have satisfied the five-year period for determining qualified withdrawals on January 1 of the fifth year following the year for which you made your first Roth IRA contribution, conversion, or rollover from an eligible employer-sponsored retirement plan.

**Qualified Withdrawal.** A qualified withdrawal is one where you have satisfied the five-year waiting period and the withdrawal is due to being age 59½ or older, death, or disability. Qualified withdrawals are reported on Form 1099-R using code Q.

### WITHDRAWAL REASON

**Transfer to Another Roth IRA.** Transfers are not reported on Form 1099-R. Transfers may be made by a Roth 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.

**Age 59½ or Older.** If you are age 59½ or older, withdrawals are reported on Form 1099-R using code T, unless they are qualified withdrawals.

**Under Age 59½.** If you are under age 59½, withdrawals for any reason not listed above are reported on Form 1099-R using code J.

- **Disability.** If you are under age 59½ and disabled, withdrawals are reported on Form 1099-R using code T, unless they are qualified withdrawals.
- **IRS Levy or Substantially Equal Periodic Payments** If you are under age 59½, withdrawals due to IRS levy or substantially equal periodic payments 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 [www.irs.gov](http://www.irs.gov) for more information and a listing of the disaster areas.

**Death Withdrawal by a Beneficiary.** Withdrawals by beneficiaries following the death of the original Roth IRA owner are reported on Form 1099-R using code T, unless they are qualified withdrawals.

**Prohibited Transaction.** Prohibited transactions as defined in Internal Revenue Code Section 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 codes 8 and J.
- 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 codes P and J.

**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 J if you are under age 59½, code T if you are age 59½ or older, or code Q if the distribution is a qualified withdrawal.

**Recharacterization.** A Roth IRA contribution including the net income attributable may be recharacterized as a Traditional 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.

**Revocations.** Revocations of regular contributions, conversions, rollovers, or transfers are reported on Form 1099-R using code J. A revocation of a regular contribution with earnings if you are under age 59½ is reported on Form 1099-R using codes J and 8.

## Withholding Certificate for Michigan Pension or Annuity Payments

**INSTRUCTIONS:** Use Form MI W-4P to notify pension administrators of the correct amount of Michigan income tax to withhold from your pension or annuity payment(s). You may also use this form to choose not to have any Michigan income tax withheld from your payment(s). Military pensions and pensions paid by the Railroad Retirement Board are exempt from tax and withholding.

Entities subject to Michigan taxes that disburse pension or annuity payments are required to collect withholding if the payment is expected to be taxable unless **you opt out using this form** (see instructions for line 1). Entities over which Michigan does not have jurisdiction are not required to withhold Michigan income tax from your pension or annuity payment(s). If your pension administrator does not withhold, you may need to make estimated income tax payments to avoid owing penalty and interest. For further information, see General Instructions on page two, the *Michigan Estimated Income Tax for Individuals* (MI-1040ES) or consult a tax advisor.

If you have more than one pension administrator, you will need to complete a form for each pension or annuity. If you do not file MI W-4P, the administrator may withhold even if you will not owe tax on your pension income. **See instructions on page two.**

GENERAL INFORMATION		
Name	Social Security Number	
Mailing Address (Number, Street, P.O. Box)		
City	State	ZIP Code
Marital Status		
<input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Married (withhold the same as "Single")		

**Check only ONE box. For joint filers, the age of the oldest spouse determines the age category.**

- 1. Check here if your pension or annuity payments are not taxable or you wish to opt out. See lines 9 or 10 for additional voluntary withholding. **NOTE:** Opting out may result in a balance due on your MI-1040 as well as penalty and/or interest.
- 2. Check here if you (or your spouse if older) were born before 1946. See instructions for line 2.
- 3. Check here if you (or your spouse if older) were born during the period 1946 through 1952 (deduction is \$20,000 single/\$40,000 joint). See instructions for line 3.
- 4. Check here if you were born during the period 1946 through 1952 and your pension or retirement benefits were from employment with a governmental agency that was not covered by the Social Security Act (deduction is \$35,000 single/\$55,000 joint).
- 5. Check here if you were born after 1952, your pension or retirement benefits were from employment with a government agency that was not covered by the Social Security Act, and you were retired as of January 1, 2013 (deduction is \$35,000 single/\$55,000 joint).
- 6. Check here if you (and your spouse) were born after 1952, either you or your spouse are now age 62, and your pension or retirement benefits were from employment with a governmental agency that was not covered by the Social Security Act (deduction is \$15,000).
- 7. Check here if you (and your spouse) were born after 1952. See instructions for line 7.

8. Enter number of personal exemptions allowed on your *Michigan Income Tax Return* (MI-1040). Do not claim more than your allowable personal exemptions on all MI W-4s (wages) or MI W-4P forms combined. 8.

**Additional Voluntary Withholding from Pension or Annuity Payment:**

9. **Voluntary percentage amount** you want withheld from each pension or annuity payment (if permitted by your pension administrator). This amount must be a percentage. 9. 

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10. **Voluntary dollar amount** you want withheld from each pension or annuity payment (if permitted by your pension administrator). 10. 

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AUTHORIZATION	
Signature	
Printed or Typed Name and Title	Date

**Sign and return this completed form to the administrator of your pension or annuity. Keep a copy for your records.**

Visit [www.michigan.gov/taxes](http://www.michigan.gov/taxes) for additional information.

## Instructions for Completing MI W-4P, Withholding Certificate for Michigan Pension or Annuity Payments

### General Instructions

Significant income tax changes took effect in 2012 and going forward. As a result, your pension payment may be subject to tax and an underpayment may result if the incorrect amount of tax is withheld. These changes may result in a balance due if the incorrect amount is withheld from pension or annuity payment(s). Caution: Some benefits do not meet the definition of "pension and retirement benefits" under Michigan's individual income tax laws and are not eligible for subtraction on your Michigan income tax return. Visit [www.michigan.gov/taxes](http://www.michigan.gov/taxes) for additional information. For these instructions the words "retirement benefits" mean pensions, annuities, and other retirement benefits. For joint filers, the age of the oldest spouse determines the age category.

Taxpayers born before 1946 may deduct all retirement benefits paid from public employment and retirement benefits from private plans up to \$52,808 on a single return or \$105,615 on a joint return.

For tax year 2019, recipients born during the period January 1, 1946 through December 31, 1952, are eligible to deduct \$20,000 against all income, not just retirement benefits. If the recipient will be filing a joint return and the older spouse was born during the period detailed above, the deduction is \$40,000 against all income. Recipients born during the period January 1, 1946 through December 31, 1952, may continue to use the MI W-4P so that they have the appropriate amount withheld from their income.

Recipients born after 1952 may not deduct retirement benefits on the *Michigan Income Tax Return* (MI-1040). For exceptions see lines 5 and 6.

**Multiple pensions:** If you (and your spouse) receive multiple pension payments, your withholding on those payments may not cover your entire tax liability. Married couples where each spouse receives retirement benefits may choose to have withholding calculated as if each was single on the MI W-4P and select one personal exemption in order to have sufficient withholding to cover the tax liability. Taxpayers with multiple pensions may need to make quarterly estimated payments (MI-1040ES) or consult a tax advisor to ensure the proper amount is withheld or paid through estimated payments.

**Estimated Payments:** There are penalties for not paying enough state income tax during the year, either through withholding or estimated tax payments. Taxpayers who choose not to have tax withheld from their retirement benefits may be required to make estimated tax payments. Refer to Form MI-1040ES for estimated tax requirements.

**When should I complete this form?** Complete Form MI W-4P and give it to the administrator of your retirement benefits as soon as possible.

Your tax situation may change from year to year; you may want to evaluate your withholding each year. You can change the amount to be withheld by submitting an updated Form MI W-4P to your pension administrator at any time.

**Is every pension administrator required to withhold Michigan tax?** Only companies over which Michigan has taxing jurisdiction are required to withhold Michigan tax from your retirement benefits. If your pension administrator does not fall under Michigan jurisdiction, you may request to have Michigan tax withheld, but the company is not required to do so. If no taxes

are withheld from your payments, it is likely you will be required to make estimated payments in place of the withholding. Contact your pension and/or annuity administrator to verify whether tax will be withheld from your payments.

### Line-by-Line Instructions

**Line 1:** You may opt out of withholding tax from your retirement benefits if you believe you will not have a balance due on your MI-1040. If you (and your spouse) opt to have no Michigan tax withheld from your retirement benefits by checking the box on line 1, it may result in a balance due on your MI-1040 as well as penalty and/or interest.

**Line 2:** If you (or your spouse) were born prior to 1946, all qualified benefits from public sources are exempt and qualified benefits from private sources may be subtracted up to \$52,808 for a single filer or married filer filing separately or \$105,615 if married filing a joint return for the 2019 tax year. In addition, benefits that will be rolled into another qualified plan or IRA will not be taxable if the amount rolled over is not included in federal adjusted gross income (AGI). Any private retirement benefits in excess of the limits above are taxable.

**Line 3:** If you, or your spouse if your spouse is older than you, were born during the period January 1, 1946 through December 31, 1952, you may deduct the Michigan standard deduction equal to \$20,000 (\$40,000 on a joint return) from your taxable income. Benefits in excess of these limits are taxable.

**Line 4:** The Michigan standard deduction for those born during the period January 1, 1946 through December 31, 1952, is increased by \$15,000 if you received retirement benefits from employment with a governmental entity that was exempt from the Social Security Act. Therefore, the first \$35,000 for a single filer or \$55,000 for joint filers may be subtracted from Michigan taxable income.

**Line 5:** If you were born after 1952, received retirement benefits from employment with a government agency not covered by the Social Security Act, and were retired as of January 1, 2013, the first \$35,000 for single filers or \$55,000 for joint filers of all retirement benefits may be subtracted from Michigan taxable income.

**Line 6:** If you were born after 1952, have reached age 62, and received retirement benefits from employment with a governmental agency that was exempt from the Social Security Act, the first \$15,000 of retirement benefits may be subtracted from Michigan taxable income.

**Line 7:** If you (and your spouse) were born after 1952 and lines 5 and 6 do not apply, all private and public retirement benefits are fully taxable and may not be subtracted from Michigan taxable income.

**Line 8:** Enter personal exemptions you are claiming for withholding. Do not claim more than your allowable personal exemptions on all MI W-4s (wages) or MI W-4P forms combined.

**Line 9:** You may designate additional withholding if you expect to owe more than the amount withheld. The amount on line 9 must be a percentage. Check with your pension administrator to see if they permit additional withholding.

**Line 10:** If allowed by your pension administrator, you may enter an additional dollar amount to be withheld from each payment.

**Failure to have sufficient tax withheld from your retirement benefits may result in a balance due on your MI-1040 as well as penalty and/or interest.**