

# Hartford Funds Inherited IRA Distribution Form - Spouse

**HARTFORDFUNDS**

Our benchmark is the investor.®

## Important Notice – The USA PATRIOT Act

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. In some cases, Federal law also requires us to verify and record information that identifies the natural persons who control and beneficially own a legal entity that opens an account.

**What this means to you:** When you open an account, we will ask for names, addresses, dates of birth, and other information that will allow us to identify you and certain other natural persons associated with the account. This information will be verified to ensure the identity of all such natural persons.

In some cases it may be necessary for you to provide documentary evidence, such as an image of your driver's license or passport, to satisfy the identity verification requirement.

## Purpose

To initiate a claim if you are the spousal beneficiary of a deceased IRA owner of a Hartford Funds' Traditional, Roth, SIMPLE, or SEP account where UMB Bank, n.a. is listed as Custodian.

## Instructions

This form requires a notary seal for all requests and a Medallion Signature Guarantee if proceeds are distributed to a bank.

A copy of a certified death certificate must accompany this form.

Spousal beneficiary minimum distribution requirements are included at the end of this form, however, you should consult with a tax professional regarding any questions concerning distributions from your inherited IRA account. Also note that if you are inheriting from a previously inherited IRA, the rules are complex and are not explained in this form. Check with your tax professional to understand the restrictions that apply to such accounts.

A distribution of the IRA account (other than qualified Roth IRA distributions) generally results in taxable income to the beneficiary in the year of the distribution. The IRS requires Hartford Administrative Services Company ("HASCO"), as agent for UMB Bank, n.a. ("UMB"), to report distributions without regard to their taxable status. Non-deductible contributions are not included as taxable income to you; however HASCO as agent for UMB Bank, n.a. will report the entire amount distributed from the IRA on the appropriate forms to the IRS. It is your responsibility based on the IRA owner's records to report the taxable and non-taxable portion of a distribution from an IRA that includes non-deductible contributions.

## Section A - Deceased IRA Owner Information

Deceased IRA Owner's Name	Date of Birth (mm/dd/yyyy)	Date of Death (mm/dd/yyyy)
Social Security Number	Account Number(s)	

## Section B - Your Information as the Spousal Beneficiary

First Name, Middle Initial, Last Name	Date of Birth (mm/dd/yyyy)	Social Security Number	
Permanent Address (P.O. Boxes not allowed)	City	State	ZIP Code
Mailing Address (if different than permanent address)	City	State	ZIP Code
Telephone Number	Email Address		

If you, as the spousal beneficiary, have an acting Power of Attorney ("POA"), the personal information of the person acting on your behalf must meet the requirements listed under the USA PATRIOT Act. If you are opening an account with a POA, you will need to complete the: Hartford Funds Power of Attorney Form, (MF-10102).

**Note:** An inheritance tax waiver may be required for certain states. Please consult your tax professional or probate office to determine if one is required.

**Section C - Beneficiary Options**

**Note:** Please read the section at the end of this form entitled "Spousal Beneficiary Minimum Distribution Requirements" prior to choosing your option.

**Note:** If you choose to transfer the assets into an inherited IRA, obtain a Traditional/Roth Retirement Custodian Agreement and Disclosure Statement found at [www.hartfordfunds.com](http://www.hartfordfunds.com).

**Choose one:**

- ☐ Redeem the entire account balance. The distribution, to the extent taxable, is taxed as ordinary income to you in the year of the distribution. (Proceed to section I)
- ☐ Transfer assets into a new IRA in my name, I have attached a Hartford Funds IRA Adoption Agreement (MF-10023).
- ☐ Transfer the assets into my existing Hartford Funds IRA/retirement account. Please consult a tax professional regarding IRS retirement account transfer rules.\*: \_\_\_\_\_
- ☐ Transfer the assets into an inherited IRA\*

\* Once the assets have been transferred into your existing Hartford Funds IRA or the inherited IRA has been established, you may provide alternative investment instructions.

**Section D - Beneficiary Relationship Designation**

Please select one beneficiary type below.

- ☐ Select this option if you are the spouse of the IRA owner, are the sole beneficiary, and you are electing to treat the IRA as your own.
- ☐ Select this option if you are the spouse of the IRA owner, are the sole beneficiary, and you are electing **not** to treat as your own IRA (Account is being transferred into an inherited IRA).  
*First Generation Eligible Designated Sole Spouse Beneficiary (1st Gen EDB-Sole Spouse)*
- ☐ Select this option if you are the spouse of the IRA owner, are **not** the sole beneficiary, and you are electing to transfer the account into an inherited IRA in your name.

**Section E - Complete if the Decedent had reached Required Minimum Distribution age**

Under IRS regulations, if the decedent was over age 73 (age 72 if the decedent reached age 72 before January 1, 2023), a Required Minimum Distribution ("RMD") must be taken for the current year. If the decedent passed away in the current year, and did not take the entire RMD this year from this or another IRA and you are not requesting a distribution of the entire account, the RMD will be distributed to you prior to transferring the account to an inherited IRA.

If you do not wish to have the decedent's RMD for this calendar year distributed, please check the statement below:

- ☐ I do not wish to have the decedent's RMD for this calendar year distributed prior to transferring the account.

**Section F - Distribution Instructions**

If the assets are transferred into an IRA in your name or into an inherited IRA, you may be required to establish RMD payments. Please consult with your financial professional.

- ☐ Partial Distribution of \$ \_\_\_\_\_ or \_\_\_\_\_ %
- ☐ Set up periodic distributions:
- ☐ RMD; minimum based on my life expectancy, or if applicable, the decedent's life expectancy.
- ☐ Fixed amount of \$ \_\_\_\_\_ each period.
- ☐ Distributions over \_\_\_\_\_ years to deplete the account (not to exceed life expectancy). Consult a tax professional to ensure the distributions meet the minimum requirements.

**Section G - Periodic Distribution Frequency and Scheduled Payment Date**

If instructions are not provided, periodic distributions, including RMD payments will be sent annually, on the month and date the form was received by Hartford Funds in good order.

**Election:** Automatically distribute the required amount (choose one):

<input type="checkbox"/> Monthly	_____ Please specify a beginning date (mm/dd)
<input type="checkbox"/> Quarterly	_____ Please specify a beginning date (mm/dd)
<input type="checkbox"/> Semi-Annually	_____ Please specify a beginning date (mm/dd)
<input type="checkbox"/> Annually	_____ Please specify a beginning date (mm/dd)

**Section H - Successor Primary and Contingent Beneficiary Designation for Inherited IRA Option**

If you are transferring the assets into an IRA in your name (not an inherited IRA), do not complete this section. Please complete the beneficiary information on the IRA/Roth IRA Adoption Agreement (MF-10023).

Use this section to name a successor beneficiary(ies) to your inherited IRA account who will receive remaining amounts if you die before receiving payment of the entire account balance. Use an additional page if necessary. Please use whole percentages that together total 100%.

I hereby designate the person(s) named below as Primary Beneficiary(ies) in accordance with the Custodial Agreement. If no Primary Beneficiary survives me, I hereby designate the person(s) named below as Contingent Beneficiary(ies). This Designation of Beneficiary may have important tax or estate planning implications. If you do not name a beneficiary (or if your named beneficiary(ies) does not survive you), your estate will be the beneficiary of your inherited IRA account.

**Note:** Special RMD rules apply to your beneficiary(ies). These rules are not described in this form. Consult a tax professional for more information.

**Important:** If you are a married account owner who currently resides (or previously resided) in a community property state, a marital property state, or a community property jurisdiction (Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington Wisconsin, Puerto Rico or Guam), you may need to obtain your spouse's consent if you name someone other than your spouse as your primary beneficiary. Due to the important tax consequences of giving up one's community property interest, individuals signing this section should consult with a qualified tax or legal professional.

**Note:** Inherited property may or may not be subject to community property rules, depending on the laws of the applicable state.

☐ I am not married - I understand that if I become married in the future, I may need to complete and send a new Hartford Funds IRA Beneficiary Change Form (MF-10057).

**Primary Beneficiary(ies)**

First Name, Middle Initial, Last Name, or Name of Trust	Date of Birth or Date of Trust (mm/dd/yyyy)	Social Security Number or Tax Identification Number (TIN)	Relationship to Shareholder	% of Account
			<input type="checkbox"/> Spouse <input type="checkbox"/> Trust <input type="checkbox"/> Other	_____%
			<input type="checkbox"/> Spouse <input type="checkbox"/> Trust <input type="checkbox"/> Other	_____%
			<input type="checkbox"/> Spouse <input type="checkbox"/> Trust <input type="checkbox"/> Other	_____%
			<input type="checkbox"/> Spouse <input type="checkbox"/> Trust <input type="checkbox"/> Other	_____%

**Contingent Beneficiary(ies) (optional)**

First Name, Middle Initial, Last Name, or Name of Trust	Date of Birth or Date of Trust (mm/dd/yyyy)	Social Security Number or Tax Identification Number (TIN)	Relationship to Shareholder	% of Account
			<input type="checkbox"/> Spouse <input type="checkbox"/> Trust <input type="checkbox"/> Other	_____%
			<input type="checkbox"/> Spouse <input type="checkbox"/> Trust <input type="checkbox"/> Other	_____%
			<input type="checkbox"/> Spouse <input type="checkbox"/> Trust <input type="checkbox"/> Other	_____%
			<input type="checkbox"/> Spouse <input type="checkbox"/> Trust <input type="checkbox"/> Other	_____%

**Spousal Consent of Beneficiary Designation**

If you are married to the inherited IRA account owner and he or she has designated a beneficiary(ies) other than you, please consult your financial professional about the state law and tax law implications of this beneficiary designation, including the need for your consent. By signing below you indicate that you are the spouse of the individual named in Section B and that you consent to the designated beneficiary(ies). HASCO and its affiliates, including Hartford Funds, is not responsible for determining whether an IRA account owner is married and is a resident of a jurisdiction in which community property rules apply.

\_\_\_\_\_  
Spouse's Name (print)

\_\_\_\_\_  
Spouse's Signature

\_\_\_\_\_  
Date Signed (mm/dd/yyyy)

**Section I - Payment Instructions**

- ☐ Mail check to address listed in section B
- ☐ Deposit into bank account by Automated Clearing House ("ACH") Network.

**Important:** By signing this paperwork, you agree and confirm that your use of the ACH Network will not result in transfers to or from a financial institution outside of the United States. You also understand it is your responsibility to notify Hartford Funds if any changes to your status occur that may require funds to be sent to or from a financial institution outside of the United States.

**All owners of the bank account must sign this form.**

Bank account type: ☐ Checking account (attach voided check)  
☐ Savings account (attach deposit slip)

Bank or Credit Union Account Number	Bank or Credit Union ABA Routing Number (must be 9 digits)	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
Bank or Credit Union Account Owner's Name (print)	Bank or Credit Union Account Owner's Signature	Date (mm/dd/yyyy)
Bank or Credit Union Account Joint Owner's Name (print)	Bank or Credit Union Account Joint Owner's Signature	Date (mm/dd/yyyy)

**Note:** A Medallion Signature Guarantee is required for a distribution by ACH to the bank account listed above.

Medallion Signature Guarantee Stamp Here

John Q. Public 123 Main Street Anywhere, ST 00000-0000		0000
Pay to the order of _____ \$ <input type="text"/>		
_____ Dollars		
Any Bank Any Town, ST 00000		
MEMO _____		
<input type="text"/>	<input type="text"/>	XXXX
↓	↓	
Bank Routing Number	Account Number	

**Attach an original voided check here and mail to Hartford Funds. Please use tape instead of staples.**



- No faxed copies allowed.
- No Starter Checks.
- ACH will arrive in 2-3 business days.
- There is no fee for this option.

**Section J - State Income Tax Withholding**

Hartford Funds may be required to withhold state tax from your distribution based upon state tax law for your state of residency. Your state of residency is determined by the legal address of record on your account. We recommend that you contact your tax professional regarding your tax withholding elections, and to answer any questions that you may have regarding your state's withholding laws.

**Section K - Federal Income Tax Withholding (Required)**

Federal tax law requires us to withhold a default rate of 10% of the taxable amount of distributions made to payees within the United States unless you select a different rate.

For distributions outside the United States, the default withholding rate is 10%. You can choose to have a different rate, but you generally can't choose a rate of less than 10% for payments delivered outside the United States and its territories.

For distributions to nonresident aliens, federal tax law generally requires us to withhold a default rate of 30% of the taxable amount of the distribution. Do not use Form W-4R. See IRS Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities, and Publication 519, U.S. Tax Guide for Aliens, for more information.

Complete the attached [Form W-4R](#), Withholding Certificate for Nonperiodic Payments and Eligible Rollover Distributions, to indicate your federal tax withholding election. Use whole percentages only. Return the completed and signed Form W-4R with this completed and signed IRA distribution request form. If Form W-4R is not returned, incomplete, or indicates partial percentage withholding, we must withhold 10% of the payment for federal income tax and we cannot honor requests to have a lower (or no) amount withheld.

If you have chosen a systematic distribution, you may change your federal withholding election at any time by calling us at (888) 843-7824 or by completing and submitting a new Form W-4R. You can obtain another copy of Form W-4R at [www.irs.gov/forms-instructions](http://www.irs.gov/forms-instructions).

**Section L - Broker/Dealer Information (your financial professional can provide this information)**

At the time the account is re-registered to you, the broker/dealer of record on the deceased owner's account will not be carried over to the new account(s) unless you check the box below.

☐ I would like to retain the legacy broker/dealer of record.

If you do not wish to retain the legacy broker/dealer and want to add a new broker/dealer, have your broker/dealer complete the information below.

Registered Representative's Name	Broker/Dealer Name		
Dealer Number	Branch Number		
Branch Street Address	City	State	ZIP Code
Telephone Number	Rep Number		

At Hartford Funds, we believe it is important to make informed financial decisions. However, we are unable to provide you with investment, tax, legal or any other advice and this is why we encourage you to consult with your personal financial professional.

**Section M - Signature and Taxpayer Identification Number Certification (required)**

I have full authority and am of legal age.

I acknowledge that I am aware of and understand all of the options available to me.

I affirm that the information I have included on the form is true and correct.

I authorize and direct HASCO, as agent for UMB Bank, n.a., the Custodian of the account invested in Hartford Funds, to make distributions and take other actions as described above.

I understand that it is my responsibility to seek appropriate tax advice regarding my rights and obligations as beneficiary of this IRA.

I understand that I am responsible for satisfying the RMD rules and for the payment of all taxes associated with my inherited IRA.

**W-9 Certification** - By signing below you agree that the following certification applies to each person signing unless the person signing has indicated that they are not a U.S. person (for tax purposes) on this form.

**Under penalties of perjury, I certify that:**

1. The number shown on this form is my correct Social Security Number or Taxpayer Identification Number, and
2. I am not subject to backup withholding because: a) I am exempt from backup withholding, or b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (including a U.S. resident alien) as defined in the instructions to IRS Form W-9, and
4. I am exempt from FATCA reporting (if applicable).

**Certification Instructions:** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return.

If you do not provide a correct taxpayer identification number, you may be subject to a \$50 IRS penalty.

**The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.**

**If Beneficiary/Inherited Assets Will Be Transferred To A Spousal Or Inherited IRA:**

- I consent to the annual maintenance fee as described in Hartford Funds Traditional/Roth IRA Disclosure Statement (with a maximum fee of \$25 for accounts below \$10,000) which will be deducted from my IRA unless I have paid the fee separately.
- I consent to the \$30 annual direct account fee which will be deducted automatically from my account on or about June 1 each year.
- If I am establishing an IRA with Hartford Funds, I appoint UMB Bank, n.a. as Custodian for the account. I have received and read the necessary custodian and disclosure statements.
- I have received and read the prospectus for each inherited fund.
- I understand that neither Hartford Funds Management Company, LLC ("HFMC"), the investment manager to Hartford Funds, nor Hartford Funds Distributors, LLC ("HFD"), the principal underwriter to Hartford Funds, is providing advice or recommendations to me, and that neither HFMC nor HFD is serving in a fiduciary capacity with respect to this or any account. I understand that I should contact my financial professional should I seek advice or a recommendation prior to making an investment decision.
- I understand my property may be transferred to the appropriate state if no activity occurs in my account within the time frame specified by state law.

\_\_\_\_\_  
Beneficiary's Name (print)

\_\_\_\_\_  
Signature of Beneficiary or authorized signer  
(sign in the presence of a Notary Public)

STATE OF \_\_\_\_\_)

COUNTY OF \_\_\_\_\_):

On this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me personally  
appeared \_\_\_\_\_, to me personally known  
to be the individual described herein and who executed the foregoing  
instrument, and acknowledged that he executed the same.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

Notary Public Stamp Here

---

**Mail this completed form to the appropriate address below.**

---

**For standard mail delivery,  
please mail this form to:**

Hartford Funds  
P.O. Box 219060  
Kansas City, MO 64121-9060

**For private express mail,  
please mail this form to:**

Hartford Funds  
801 Pennsylvania Ave Suite 219060  
Kansas City, MO 64105-1307

If you have questions or require more information, contact your financial professional or call Hartford Funds at (888) 843-7824.

Following a significant business disruption, Hartford Funds will execute its **Business Continuity Plan** with the goal of recovering and resuming operations as quickly as possible given the scope and severity of the disruption. For further information regarding our Business Continuity Plan, please visit the Business Continuity section of our website at [www.hartfordfunds.com](http://www.hartfordfunds.com) or contact Hartford Funds at the above number.

**Spousal Beneficiary Minimum Distribution Requirements**

As noted above, the requirements summarized here do not address the special rules that apply when a spousal beneficiary inherits a previously inherited IRA. Consult a tax professional for more information.

- A.** If the IRA owner died before his or her required beginning date (generally April 1 following the year the owner attained age 73 (age 72 if the decedent reached age 72 before January 1, 2023):
1. The surviving spouse beneficiary may roll over or transfer all or part of the IRA balance to an IRA in his/her own name.
  2. The surviving spouse beneficiary may take distributions over his/her single life expectancy (recalculated) commencing in the year after death.
  3. The surviving spouse beneficiary may delay any distribution until the owner would have attained age 72 (age 70½ if the decedent reached age 70½ before January 1, 2020), then take the distribution over the single life expectancy of the spouse beneficiary (recalculated).
  4. If the IRA owner died after December 31, 2019, the 10-year rule requires the IRA beneficiaries who are not taking life expectancy payments to withdraw the entire balance of the IRA by December 31 of the year containing the 10th anniversary of the owner's death.
- B.** If the IRA owner died on or after his or her required beginning date (generally April 1 following the year the owner attained age 73 (age 72 if the decedent reached age 72 before January 1, 2023):
1. The surviving spouse beneficiary may roll over or transfer all or part of the plan balance (with the exception of the owner's year of death required minimum distribution which cannot be included in a rollover) to an IRA in his/her own name.
  2. The surviving spouse beneficiary may take distributions over his/her single life expectancy (recalculated) commencing in the year after death.
  3. The surviving spouse may request a distribution based on the single life expectancy of the owner (if longer than the surviving spouse beneficiary's life expectancy) commencing in the year after death.
  4. The surviving spouse beneficiary may request a full distribution at any time.

*Since other requirements may apply, including requirements for a spouse beneficiary who is not the sole beneficiary, the spouse beneficiary should consult with his or her personal tax professional for further guidance.*



Form **W-4R**Department of the Treasury  
Internal Revenue Service**Withholding Certificate for Nonperiodic Payments and Eligible Rollover Distributions****Give Form W-4R to the payer of your retirement payments.**

OMB No. 1545-0074

**2024**

<b>1a</b> First name and middle initial	Last name	<b>1b</b> Social security number
---	-----------	----------------------------------

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>	%
---	----------	---

**Sign Here****Your signature** (This form is not valid unless you sign it.)**Date****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 your 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.

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%
14,600	10%	29,200	10%	21,900	10%
26,200	12%	52,400	12%	38,450	12%
61,750	22%	123,500	22%	85,000	22%
115,125	24%	230,250	24%	122,400	24%
206,550	32%	413,100	32%	213,850	32%
258,325	35%	516,650	35%	265,600	35%
623,950*	37%	760,400	37%	631,250	37%

\* If married filing separately, use \$380,200 instead for this 37% rate.

For Privacy Act and Paperwork Reduction Act Notice, see page 3.

Cat. No. 75085T

Form **W-4R** (2024)

## 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.

**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.