

Request a Required Minimum Distribution From Your Schwab IRA

Schwab.com 1-800-435-4000 (inside the U.S.) +1-415-667-8400 (outside the U.S.) 1-888-686-6916 (multilingual services)

When to use this form:

- Complete this form if you wish to take a Required Minimum Distribution (RMD) from your account. (Do not use this form for Inherited RMD's. Use the Request an IRA Distribution Form.)
- If you want to take a distribution from your IRA and will not reach RMD age before the end of this year, please use the Request an IRA Distribution Form. Or you can request a distribution online at www.schwab.com.
- If you would like Schwab to calculate your RMD, make the appropriate selection in Section 2. Or you can calculate it yourself at www.schwab.com/yourrmd.
- If you are a nonresident alien, a 30% tax withholding rate will apply unless you reside in a country with a lower treaty rate and submit a valid IRS Form W-8BEN. Contact us to find out if a lower tax treaty rate applies.

Although an RMD amount must be calculated individually for each IRA, you can take your RMD from any IRA or a combination of all of your IRAs.

Please Remember To:

- Include the frequency of your distribution in Section 5.
- Tell us where to send your distribution in Section 6.
- Attach a voided check to establish Schwab MoneyLink® (if applicable).
- Complete, sign, and date this form using blue or black ink and return it to Schwab.
- For current-year distributions, Schwab must receive your form by December 1 to ensure year-end completion.
- **If you need to sell securities to complete a cash distribution, please do so before submitting this distribution form. You may place your trades on schwab.com at a discounted commission rate or call us at 1-800-435-4000 to place your trades with a broker. If your IRA is enrolled in a managed product, contact your service provider for the appropriate form.**

1. Tell Us About Yourself

We respect your privacy. Schwab will use the information you provide to process your request. Read about Schwab's privacy policy at schwab.com/privacy.

Schwab Individual Retirement Account (IRA) Number

Account Holder Name *First*

Middle

Last

Social Security Number

Daytime Telephone Number

Extension

2. Tell Us About This RMD Request

List the tax year for which you are requesting an RMD. Current tax year applies unless otherwise indicated. Distribution will be reportable to the IRS in the tax year processed.

Tax Year (yyyy)

Please select one of the following options.

☐ Calculate and distribute my RMD amount.

☐ Distribute the following amount that I have determined. (If you select this option, proceed to Section 5.)

If you elect to have taxes withheld, tell us if the amount is a gross or net amount. If no selection is made, gross is the the default selection.

\$

Amount

☐ Before taxes are removed (gross distribution)

☐ After taxes are removed (net distribution)

☐ Close the account and distribute all funds in the account. (If you select the option to distribute all funds and close the account, proceed to Section 6.)



3. Help Us Determine Your Life Expectancy Factor

Schwab usually calculates your RMD based on your life expectancy using the Uniform Life Expectancy Table, which can be found in IRS Publication 590-B at [irs.gov](https://www.irs.gov). We'll use the Joint Life Expectancy Table if your sole primary beneficiary is your spouse and is more than 10 years younger than you.

Is your spouse the sole primary beneficiary of your IRA and more than 10 years younger than you?

- ☐ **No** (If you answer "No" to this question, proceed to Section 4.)
- ☐ **Yes** (If you answer "Yes" to this question, joint life expectancy applies. Please provide your date of birth and your spouse's name and date of birth.)

Your Date of Birth (mm/dd/yyyy)

Spouse's Name First

Middle

Last

Spouse's Date of Birth (mm/dd/yyyy)

4. Help Us Determine Whether a Fair Market Value Adjustment Is Required (Optional)

Check any of the following situations that apply to you, and fill in the necessary information.

- ☐ **If you transferred your IRA to Schwab in the current calendar year and have not yet taken an RMD, indicate the fair market value of that IRA as of December 31 of last year.** To help determine the fair market value, review the December 31 statement from the firm at which your IRA was previously held.

\$

Amount

- ☐ **If you withdrew funds from any IRA, either at or outside of Schwab, after November 1 of the previous calendar year and rolled them into the IRA identified in Section 1 in the current calendar year within 60 days, indicate the amount of the rollover.**

\$

Amount

5. Select the Frequency of Your Distribution

- ☐ **A. Recurring Distribution.** This distribution frequency is available for cash distributions only.
- ☐ **Distribute my RMD periodically beginning on the date below, and continue until I instruct otherwise.**

Date (mm/dd/yyyy)

Frequency:

- | | |
|--|---|
| <input type="checkbox"/> Annually | <input type="checkbox"/> Last business day of each month |
| <input type="checkbox"/> Twice per year | <input type="checkbox"/> Monthly on: _____ (dd) |
| <input type="checkbox"/> Quarterly | <input type="checkbox"/> Every two months *Not available for MoneyLink |
| <input type="checkbox"/> Weekly | <input type="checkbox"/> Two times monthly on: _____ (dd) and _____ (dd) |

In order for us to process a recurring distribution, you must ensure there is sufficient cash available in your account on the date of your recurring distribution. Place any sale orders before the date of your recurring distribution by calling 1-800-435-4000 or visiting www.schwab.com.

- ☐ **B. One-Time Distribution.** This distribution frequency is available for distributions of cash and/or securities. This distribution will be processed when we receive this form. Schwab is not able to distribute assets each year if you are requesting a recurring distribution. This option is only available for a one-time distribution. If multiple securities are requested, copy and submit additional pages as needed.
- ☐ Check this box if you do not want Schwab to distribute your available cash balance prior to calculating the number of shares to distribute in kind. If you check this box and the value of the security indicated is insufficient to cover the full distribution amount, Schwab will distribute your available cash balance in your account only to the extent necessary to satisfy the amount of your RMD request.



- ☐ **Distribute the security listed below.** Unless otherwise indicated above, if there is an insufficient cash balance available to satisfy this one-time RMD request, I authorize Schwab to distribute enough shares of the security to enable me to satisfy my RMD.

Security Name

Trading Symbol

If you need to sell securities to complete a cash distribution, please do so before submitting this distribution form. You may place your trade on schwab.com at a discounted commission rate or call us at 1-800-435-4000 to place your trade with a broker. If your IRA is enrolled in a managed product, contact your service provider for the appropriate form.

6. Select the Method of Distribution

Complete only those sections that apply.

Distribution to a Schwab brokerage or bank account. Check box A and enter your account number below to transfer your RMD to your Schwab account.

Distributions paid to third parties. If this distribution is paid directly to a third party, you acknowledge and agree that you, as the account holder, are solely responsible for any adverse tax consequences, and you agree to indemnify and hold harmless Schwab from and against all losses, costs, liabilities, and expenses that may arise as a result of Schwab following the directions you provide on this form.

If you choose Option A, add your account number and skip to Section 7.

- ☐ **A. Transfer my RMD to a Schwab Bank Investor Checking™ or a Schwab brokerage account.**

- ☐ **1. Investor Checking account**

Schwab Bank Investor Checking Account Number

- ☐ **2. Brokerage account**

Schwab Brokerage Account Number

If you choose Option B, please check Box 1, 2, or 3 and then complete the associated sections, if applicable.

- ☐ **B. Mail my distribution.**

- ☐ **1. Make payable to the account holder and mail to the address listed on my Schwab IRA.**
☐ **2. Make payable to the account holder and mail to the following address:**

Address (P.O. boxes may be used here.)

City

State

Zip Code

If you want a memo printed on your check, enter it here.

Memo (Optional; 24-character limit)

If you would like to make a charitable donation, enter the name of the charity as payee and select "Mail to my home address." This will ensure you are able to obtain a receipt from the charity for your tax records. Talk to your tax advisor to see if your distribution is eligible for a qualified charitable distribution (QCD).

- ☐ **3. Make payable to a third party.**

Payee

- ☐ **Mail to my home address.**
☐ **Mail to the following address** (Not available for QCDs):

Street Address

City

State

Zip Code



If you want a memo printed on your check, enter it here.

Memo (Optional; 24-character limit)

Check this box for overnight delivery.

☐ **Use overnight delivery.** (Fees may apply.)

If you choose Option C, you may be charged a wire transfer fee. Call 1-800-435-4000 for details. Outgoing wire transfers are only available for one-time distributions and not for recurring distributions.

☐ **C. Wire funds.** This section is for domestic wire transfers only. For foreign wires please attach the Verify Your Request for a Foreign Wire Transfer form.

To give us time to process your request for a wire, we must receive your request prior to 2:30 p.m. ET on the date of the proposed wire. Fax your wire request to 1-877-553-7692.

If you would like to make future wire requests by telephone, check the "Standing instructions" box and provide the bank account information. See the sample check on the next page for instructions on how to locate your ABA Transit Routing Number and account number.

☐ **Standing instructions.**

Receiving Bank Information (Initial Recipient)

Provide information below for the bank that will receive the funds. If the receiving bank uses an intermediary bank to process the transfer, also complete the Intermediary section. If an additional recipient will ultimately receive the funds, please also complete the "For Further Credit" section.

Receiving Bank ABA Number		Receiving Bank Name	
Account Number at Receiving Bank		Name(s) as it appears on the Account at the Receiving Bank (i.e. individual, trust, brokerage firm name)	
Address on Receiving Bank Account (Required if above recipient is different from Schwab account registration)			
Street Number	Street Name	Suite/Apt/Rm #	
City/Town	State/Province/Region	Zip/Postal Code	Country

Intermediary/Correspondent Bank (If applicable, if the receiving bank uses an intermediary bank)

Intermediary Bank ABA	Intermediary Bank Name	Account Number (if applicable)
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For Further Credit (If applicable, for the Final Recipient)

Enter information below instructing the initial recipient listed above to further direct funds to the final recipient or account listed below.

Name of Final Recipient(s) (required; i.e. individual, trust, entity name)		Further Credit Account Number (required; i.e. escrow/plan account #)	
For Further Credit Address (required for further credit and if Final Recipient is different from Schwab account registration. Note: The Address of Final Recipient cannot be the address of the bank.)			
Street Number	Street Name	Suite/Apt/Rm #	
City/Town	State/Province/Region	Zip/Postal Code	Country

☐ **D. Transfer funds to another bank account through electronic funds transfer or Schwab MoneyLink®.**

This option is not available for one-time distributions from IRA accounts enrolled in Schwab Managed Account Services™ [MAS] or Schwab Managed Portfolios™ [SMP].

If you already have Schwab MoneyLink set up for this IRA, please enter the bank name and the account number of the linked account.

☐ **Use the existing MoneyLink instructions on file for my account.**



Bank Name

Account Number

- ☐ **Set up new MoneyLink bank account information.** By enrolling in Schwab MoneyLink, you are establishing a standing authorization to request electronic funds transfers from your Schwab IRA to an account at another U.S. financial institution specified below (collectively, the "MoneyLink Service").

Schwab Bank or Other Financial Institution Information

Your Other Financial Institution must be a U.S. financial institution and an Automated Clearing House (ACH) member. You may not transfer funds to financial institutions outside the territorial jurisdiction of the U.S. Enter the information requested below for the account where you want your distribution payments electronically transferred.

If you would like to set up MoneyLink, please enter information for the bank account you want to use. MoneyLink transfers are limited to a maximum of \$100,000 per transaction.

Bank Name

Account Number

Account type:

- ☐ **Personal checking account**
- ☐ **Personal savings account**

Please attach your voided check here. For savings accounts, attach a preprinted deposit slip.

Name must be
preprinted and
unaltered.

Dana Jones
123 Main Street
Anytown, NY 12345

20__ 803

Pay to the order of **REQUIRED** \$ [] Dollars

Tape your voided check here.
(Use a preprinted deposit slip for savings accounts.)

National Bank
Delaware

321070010 803 1234 56789

ABA Transit Routing Number Account Number

VOID

If your account doesn't have checks or if you don't have access to your checks, you can provide proper documentation using one of the methods below.

Alternative acceptable documentation:

- A deposit/withdrawal slip.
- An account statement from a bank or broker-dealer reflecting the account registration and number.
- A preprinted form (direct deposit form) from the Other Financial Institution that includes the account title, account number, account type, and ABA Transit Routing Number.
- A letter from the Other Financial Institution, on its letterhead and signed by an officer, that includes the account title, account number, account type, and ABA Transit Routing Number. For organization accounts, this letter should include the names of the authorized account signers.

Check this box if you would like to terminate existing MoneyLink instructions.

- ☐ **Terminate existing instructions for:**

Bank Name

Account Number



7. Withhold Taxes From Your Distribution

Distributions treated as nonperiodic payments from your IRA (excluding those from Roth IRAs) are generally subject to federal (and possibly state) income tax. Even if you elect in writing not to have federal and/or state income tax withheld when permitted, you are liable for payment of federal and state income taxes on the taxable portion of your distribution. You may elect not to have federal income tax withholding apply to your distribution by entering 0% on the line of Section A. Federal Income Tax Withholding below, and signing and dating this form. If you elect not to have withholding apply to your distribution, or if you do not have enough tax withheld, you may be responsible for payment of estimated taxes. You may also incur penalties under the estimated tax rules if your withholding and estimated tax payments are not sufficient. For more information, see IRS Publication 590-B.

Your tax withholding election will remain in effect on all distributions from this IRA until you change or revoke it. You may change or revoke your tax withholding election at any time by submitting your request to Schwab. The federal or combined federal and state withholding tax rate of 100% will not be retained for future distributions. To process a distribution with a federal or combined federal and state withholding tax rate of 100%, please request a one-time check.

Note:

- Distributions from an IRA that are payable on demand are treated as nonperiodic payments.
- Nonresident aliens are subject to a 30% tax withholding rate and must submit a valid IRS Form W-8BEN to obtain an available reduced tax treaty rate.
- Generally, Roth IRA distributions are not taxable. Unless you have an existing election on file or elect to withhold on this form, we will not withhold taxes from your Roth IRA distribution.

A. Federal Income Tax Withholding: 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% below. Generally, you can't choose less than 10% for payments to be delivered outside the United States and its possessions.

Complete the line below if you would like a rate of withholding that is different from the default withholding rate. See the Marginal Rate Tables on page 1 and the General Instructions on page 2 of the attached IRS Form W-4R. You may use these tables to help you select the appropriate withholding rate for this payment or distribution. Instructions on how to best use them are included.

Enter the rate as a whole number (no decimals). _____ %

Note: The attached IRS Form W-4R is for information only. You are not required to complete the IRS Form W-4R.

B. State Income Tax Withholding: State income tax withholding from your distribution may be required. In some cases, you may elect not to have withholding apply, or you may elect to increase the rate of withholding. In other cases, state income tax withholding may not be available. Refer to the State Income Tax Withholding Information sheet for specific information concerning your state's withholding rates.

While Schwab makes every effort to obtain information about state tax laws from sources believed to be reliable, Schwab cannot guarantee the accuracy or timeliness of state tax withholding information because state tax laws are subject to constant change and interpretation. We recommend that you contact your tax advisor regarding your tax withholding elections and to answer any questions that you may have.

If you do not make an election, Schwab will apply withholding (if required) at the minimum rate based on the laws for your state of residency as determined by the legal address of record on your account.

Choose one:

- ☐ I do not want state income tax withheld.
- ☐ I want state income tax withheld at the rate of _____ % (State tax withholding must be at least your state's minimum tax rate and not more than 100% when combined with federal income tax withholding.)

Note: If you move between states with different withholding laws, Schwab will apply withholding (if required) at the rate you have provided above or at the minimum rate based on the laws for your new state of residency, whichever is greater.



8. Sign Your Account Authorization

A signature is required below for the Schwab IRA account holder. If establishing MoneyLink, signatures are required below for the Schwab IRA account holder.

- A. I authorize Schwab to distribute cash and/or securities from my IRA according to the elections made by me on this form and certify that: (1) Under penalties of perjury, I declare that I have reviewed my elections on this form and, to the best of my knowledge and belief, they are true, correct, and complete and (2) Schwab may rely on my elections and certification without further investigation and inquiry.

For Schwab Managed Portfolios™ or Schwab Managed Account Services™ accounts only:

If my IRA is enrolled in Schwab Managed Portfolios or Schwab Managed Account Services, by signing below, I am requesting that the Money Manager* and Charles Schwab & Co., Inc. ("Schwab") add withdrawal instructions on the account according to the instructions on this form. I understand that at least five business days' notice to Schwab is required for withdrawals from the account and that if I am requesting a cash withdrawal, the Money Manager may liquidate securities to generate sufficient cash to process my withdrawal request. As a result, the account may not perform as well as other accounts managed by the Money Manager.

- B. **Schwab MoneyLink® Authorization—Terms for the Schwab IRA Account Holder.** By signing below, I am signing up for Schwab MoneyLink. Terms and conditions for the Schwab MoneyLink Service will be sent to me when this form is processed. Those terms and conditions will govern all Schwab MoneyLink transactions, and my use of Schwab MoneyLink will confirm that I have received, reviewed, and agreed to be bound by these terms and conditions, including, without limit, any amendments, until I cancel this service.

- C. **Schwab MoneyLink Authorization—Terms Relating to the Other Financial Institution Account.** I/we authorize Schwab (i) to initiate credit entries to my/our account indicated (the "Other Account") and to credit that account, (ii) to initiate debit entries to the Other Account and to debit that account, and (iii) to initiate reversals to the Other Account of erroneous or duplicate credit or debit entries and to credit or debit such account as appropriate. This authorization will remain in full force and effect until Schwab has received written or verbal notification (by calling 1-800-435-4000) from me (or either of us) of its termination. Schwab must receive this notification in a time and manner so as to give Schwab and the Other Financial Institution a reasonable opportunity to act on it.

This authorization may be terminated by any of the parties at any time by calling 1-800-435-4000.

I represent and warrant that I have the authority, acting individually and without notice to any other account holder, to submit the enrollment request to Schwab as fully and completely as if I were the sole account holder of the Schwab account and the outside account and that all other owners of the account have authorized me to submit this request to Schwab. I hereby agree to indemnify and hold Schwab harmless from and against any loss, claim, damage, or liability arising out of or resulting from any action taken by Schwab in reliance upon this representation and warranty that Schwab in good faith accepts as genuine.

If I am the Schwab IRA account holder, my signature below constitutes my agreement with the terms set forth in Section 8A and, if applicable, Section 8B. If I am an account holder of the Other Financial Institution, my signature below constitutes my agreement with the terms set forth in Section 8C. If the Schwab account holder is not an owner on the Outside Financial Institution account, the outside account holder's signature is also required.

X

Signature: Account Holder

Today's Date (mm/dd/yyyy)

Print Name

X

Signature: Other Financial Institution Account Holder (if applicable)

Today's Date (mm/dd/yyyy)

Print Name

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Investment and Insurance Products: Not a Deposit • Not FDIC Insured • Not Insured by any Federal Government Agency • No Bank Guarantee • May Lose Value



9. Return Instructions

▪ **Upload** online with secure messaging (if you are an existing client and have online access to your account).

1. Go to Schwab.com and log in to your account.
2. Click Message Center (under Service), and then click Upload Document.

▪ **Fax** to 1-888-526-7252.

▪ **Bring** to your nearest Schwab branch (visit schwab.com/branch for locations).

▪ **Mail** to any of the following addresses:

Regular Mail (West)

Charles Schwab & Co., Inc.
P.O. Box 982600
El Paso, TX 79998-2600

Regular Mail (East)

Charles Schwab & Co., Inc.
P.O. Box 2339
Omaha, NE 68103

Overnight Mail (West)

Charles Schwab & Co., Inc.
1945 Northwestern Drive
El Paso, TX 79912

Overnight Mail (East)

Charles Schwab & Co., Inc.
200 S 108th Ave
Omaha, NE 68154

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Investment and Insurance Products: Not a Deposit ▪ Not FDIC Insured ▪ Not Insured by any Federal Government Agency ▪ No Bank Guarantee ▪ May Lose Value



State Income Tax Withholding Information for Individual Retirement Accounts

This general information is provided to help you understand state income tax withholding requirements for Individual Retirement Account distributions. **While Schwab makes every effort to obtain information about state tax laws from reliable sources, Schwab cannot guarantee the accuracy or timeliness of state tax withholding information because state tax laws are subject to constant change and interpretation. Please make sure to properly estimate your withholding rate based on your tax status. You will be responsible for any under-withholding when you file your tax return. We recommend that you contact your tax advisor regarding your tax withholding elections or making estimated tax payments, and to answer any questions that you may have regarding your state's withholding laws.**

If your state of residency is:	Your withholding options are:
KS, MA, ME, NE, VT	<p>If you have federal income tax withheld, Schwab is required to withhold state income tax.</p> <p>If you do not have federal income tax withheld, you may optionally elect to have state income tax withheld.</p> <p>You may provide a percentage amount equal to or greater than your state's withholding requirements; otherwise Schwab will automatically apply your state's applicable withholding requirements.</p>
AR, CA, CT¹, DE, IA, MI², MN³, NC, OK, OR	<p>If you have federal income tax withheld, Schwab is required to withhold state income tax unless you specifically elect not to have state income tax withheld.</p> <p>You may provide a percentage amount equal to or greater than your state's withholding requirements; otherwise Schwab will automatically apply your state's applicable withholding requirements.</p>
AL, AZ, CO, DC¹, GA, ID, IL, IN, KY, LA, MD, MO, MS⁴, MT, ND, NJ, NM, NY, OH, PA, RI, SC, UT, VA, WI, WV	State income tax withholding is voluntary regardless of whether or not you have federal income tax withheld. Schwab will withhold state income tax only if you instruct us to do so.
AK, FL, HI, NH, NV, SD, TN, TX, WA, WY	State income tax withholding is not available. Schwab will not withhold state income tax even if you elect to withhold state income tax.

If your state of residency is:	Your tax rate is:
AR, VT	3%
CA	1%
CT¹	6.99%
DC¹	10.75%
DE, IA, KS, MA, ME, NE	5%
MI²	4.25%
MN³	6.25%
MS⁴	4.7%
NC	4%
OK	4.75%
OR	8%
AL, AZ, CO, GA, ID, IL, IN, KY, LA, MD, MO, MT, ND, NJ, NM, NY, OH, PA, RI, SC, UT, VA, WI, WV	There is no mandatory tax rate since these states are voluntary withholding states.
AK, FL, HI, NH, NV, SD, TN, TX, WA, WY	State income tax withholding is not available.

Schwab 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. In some cases, you may elect not to have withholding apply, or you may elect to increase the rate of withholding. In other cases, state tax withholding is not available. Please refer to the chart above.

¹ State income tax withholding is required on lump sum distributions, and opting out of state withholding is not allowed.

² You must submit the MI W-4P to Schwab if you wish to opt out of Michigan state income tax withholding. You can obtain a copy of the MI W-4P by visiting Schwab.com or Michigan.gov/taxes.

³ You must submit the W-4MNP to Schwab if you wish to opt out of the Minnesota state income tax withholding. You can obtain a copy of the W-4MNP by visiting www.revenue.state.mn.us/

⁴ MS income tax state withholding is required on early and excess distributions.



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 2025, 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;
- 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 \$65,000 without the payment. Step 1: Because your total income without the payment, \$65,000, is greater than \$63,475 but less than \$118,350, the corresponding rate is 22%. Step 2: Because your total income with the payment, \$85,000, is greater than \$63,475 but less than \$118,350, 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 \$61,000 without the payment. Step 1: Because your total income without the payment, \$61,000, is greater than \$26,925 but less than \$63,475, the corresponding rate is 12%. Step 2: Because your total income with the payment, \$81,000, is

greater than \$63,475 but less than \$118,350, the corresponding rate is 22%. The two rates differ. \$2,475 of the \$20,000 payment is in the lower bracket (\$63,475 less your total income of \$61,000 without the payment), and \$17,525 is in the higher bracket (\$20,000 less the \$2,475 that is in the lower bracket). Multiply \$2,475 by 12% to get \$297. Multiply \$17,525 by 22% to get \$3,856. The sum of these two amounts is \$4,153. This is the estimated tax on your payment. This amount corresponds to 21% of the \$20,000 payment (\$4,153 divided by \$20,000). Enter "21" 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.

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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.