

## Required Minimum Distribution Election Form

Annuity Contract number \_\_\_\_\_

This form is provided for you to request the Required Minimum Distribution (RMD) on your contract.

**Note:** In addition to electing an RMD on this form, your contract may offer several other options which may also satisfy all or part of your RMD. Please refer to your contract for available options, which may include annuitization. To see if any of the other options available will satisfy your RMD, please contact your agent or our Contact Center 800.950.1962.

### Section A: Supply information about the contract owner

Contract owner's printed full name:

Tax ID / SS#:

Daytime phone number:

\_\_\_\_\_ (\_\_\_\_) \_\_\_\_\_

### Section B: Required Minimum Distribution Calculation

By completing this form you are requesting your calculated RMD for this contract only.

Please refer to the Required Minimum Distribution Questions and Answers enclosed with this form on how the RMD will be calculated on this contract. The below information may impact the calculated RMD amount.

#### Information to determine which RMD table to use

If your spouse is your sole primary beneficiary and is more than 10 years younger than you, then your RMD amount is calculated based on a Joint and Life Survivor Expectancy Table. If your circumstances change and the Joint and Last Survivor Expectancy Table is no longer appropriate, please complete a new RMD Election Form.

Spouse's Date of Birth \_\_\_\_ / \_\_\_\_ / \_\_\_\_

**If you do not provide your spouse's date of birth:** Your RMD amount will be calculated based on the Uniform Lifetime Table, which could result in distributions that are higher than your actual RMD.

#### Adjustments to your RMD calculation

If your annuity contract was established in a prior year, Allianz Life Insurance Company of North America (Allianz) has calculated and will pay your RMD using only the entire interest value of your annuity contract as of December 31<sup>st</sup> of the previous year. This amount may not be accurate if you added premium to your contract during the current year. If your annuity contract was established in the current year, Allianz has calculated your RMD using only the total initial premium Allianz received.

If you do not need to receive a different amount than the RMD Allianz calculated, please proceed to Section C.

If you need to receive a different amount than the RMD Allianz calculated, please indicate one option listed below. The amount indicated will be added to this contract's prior year December 31<sup>st</sup> value to recalculate the RMD.

- Include total premium added to this contract within the current calendar year
- Include the previous provider's prior year December 31<sup>st</sup> value listed below (only allowed if funds were held in previous provider's contract as of December 31<sup>st</sup>)

\$ \_\_\_\_\_

- I have provided the previous provider's statement showing the prior year December 31<sup>st</sup> value for RMD calculation purposes.

(continued on next page)

## Section C: Required Minimum Distribution Option and Frequency

Select the option(s) that is being requested for this contract only. Once payments are set up they will continue as elected until we receive written notification to discontinue payments.

- Current year – Complete the Frequency section below. If you are currently receiving another type of scheduled payout, then no frequency needs to be selected below and the remaining RMD payment will automatically be set up for annually with the payment sent by December 31<sup>st</sup>.

**(If a selection is not made, the frequency of the payment will be annually in November.)**

- Monthly
- Quarterly
- Semi-Annually
- Annually (choose one below):
- Immediately
  - November
  - Contract Anniversary (if the contract anniversary in the current calendar year has already passed, the current year RMD will be paid immediately and future RMDs will be sent on your anniversary each year)
- Deferred First Year RMD (annual payment will be sent immediately) – Applies **ONLY** if you obtained age 72 in the prior calendar year and delayed your FIRST RMD until the current calendar year. Funds must be taken before April 1<sup>st</sup>. By electing this option, you will need to receive two RMD payments in the current calendar year. These funds will be taxed in the year the funds are distributed.

Current year option must also be completed; otherwise payments will be set up annually in November

- Missed RMD from immediately previous calendar year (annual payment will be sent immediately) – Applies **ONLY** if this contract was active with Allianz. The missed year RMD amount will be determined based on the calculations indicated on the Required Minimum Distribution Question and Answers enclosed and will be paid in one lump sum payment. These funds will be taxed in the year the funds are distributed. Please contact Allianz for appropriate steps to take if you are required to take penalized RMDs from more than one year past.

Current year option must also be completed; otherwise payments will be set up annually in November

## Section D: Tax and withholding section

### Tax and Withholding Information

All, or part, of the payment you receive in connection with a distribution, may be includable in your gross income for tax purposes. The taxable portion of the distribution is subject to federal (and potentially state) income tax withholding. Once the funds are distributed to you, Allianz will not reverse any federal or state withholding that is made from your payment. Federal (or state) tax withholding will not be processed from contracts held by a custodian or qualified plan. You may wish to contact your tax professional regarding any questions you may have about taxation or withholding.

### Withholding Instructions

#### Federal Income Tax Withholding

Allianz is required to withhold at a default rate of 10% unless you complete and submit a current year IRS Form W-4R with this request. The default rate of withholding may not be appropriate for your tax situation. Please review the enclosed instructions for IRS Form W-4R for additional information.

#### **I acknowledge that:**

- **I must complete and submit a current year IRS Form W-4R with this request to make a federal withholding election at a rate other than the default rate of 10%.**

#### State Income Tax Withholding

Allianz is required to withhold at the minimum rate required (which may be 0%) by your state of residence. Please review the attached Withholding Guide or consult your state's tax authority website for more information.

#### **I acknowledge that:**

- **I must complete and submit separate instructions that meet the requirements of my state's tax authority with this request to make a state withholding election at a rate other than my state's required minimum.** (continued on next page)

Annuity Contract number \_\_\_\_\_

**Section E: Certification of Taxpayer Identification Number**

If you are requesting payments as a U.S. Person, the IRS requires you to agree to the following statements. If you are not a U.S. Person, please complete Form W-8BEN.

Under penalties of perjury, I certify that:

- 1. The Taxpayer Identification Number shown on this form is correct or I am waiting for a number to be issued to me.

If the IRS has notified you that you are currently subject to backup withholding because you failed to report interest and dividends on your tax return, you must cross out item 2 below.

- 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 failure to report all interest or dividends, or
  - c. The IRS has notified me that I am no longer subject to backup withholding.
- 3. I am a U.S. person, and
- 4. The Foreign Account Tax Compliance Act (FATCA) code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

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

**Section F: Payment method (choose one) (Withdrawals can only be made payable and sent to the contract owner or financial institution for benefit of the contract owner.)**

(If a selection is not made, payments will be sent to the address of record.)

- Automatic Clearing House (ACH)** (Bank must be a member of ACH. Bank account owner must be the same as contract owner.)

**Please note:** If voided check or deposit slip is not sent or already on file with Allianz, a check will be sent to your address of record in place of the ACH transfer.

- Checking, I have enclosed a **VOIDED CHECK**.
- Savings, I have enclosed a **DEPOSIT SLIP**.
- Send disbursement payable to financial institution. (The disbursement will be taxable to you and will be payable to the financial institution. The disbursement will be sent to the owner's address of record unless a letter of acceptance is received from the financial institution.)

Account number \_\_\_\_\_

Name of financial institution \_\_\_\_\_

Financial institution's telephone (\_\_\_\_\_) \_\_\_\_\_

- Send disbursement to owner at address on record.**

**Attach a voided check for a checking account, or a deposit slip for savings account.**

The image shows a sample voided check form. It includes fields for 'Your Name', 'Address', 'City, State, ZIP code', 'Date', and 'No. 1000'. Below these is a line for 'Pay to the order of' followed by a dollar sign and a line for 'Dollars'. Further down are fields for 'Your Bank', 'Bank Address', 'Bank City, State, ZIP code', and 'Memo'. At the bottom, there are two boxes labeled 'Routing Number' and 'Account Number' containing the numbers 321181613 and 4436712143 respectively, followed by the number 1000. A large 'SAMPLE' watermark is overlaid on the form.

(continued on next page)

Annuity Contract number \_\_\_\_\_

**Section G: Signatures (Signature section must be completed. All owner's signatures are required.)**

A person who knowingly and with intent to injure, defraud, or deceive any insurance company, files a form containing false, incomplete, or misleading information is committing a crime, and may be subject to civil and criminal penalties. I authorize Allianz to process the requested distribution. I am aware that this transaction is **NOT** reversible. Once the distribution is processed, the taxable event and any federal or state withholding that occurred cannot be reversed. I am aware that surrender charges may apply and understand the tax consequences of such distribution.

**This form must be received within 30 days of signing.**

Contract owner's signature \_\_\_\_\_ Signed date \_\_\_\_\_

**(ADDITIONAL SIGNATURES REQUIRED, IF APPLICABLE)**

**Power-of-Attorney:** \_\_\_\_\_ **By:** \_\_\_\_\_  
Contract owner's name Attorney-in-fact signature Signed date

<sup>1</sup> Submit legal documents such as power-of-attorney paperwork.

**Please submit page 1-4 of this form through one of the options below:**

**Email completed forms to:**

fixedannuity@send.allianzlife.com

**OR**

**Web Upload:**

You can scan and upload your signed and completed form by logging in to your account at Allianzlife.com

**OR**

**Mail:**

REGULAR MAIL

Allianz Life Insurance Company of North America  
PO Box 59060  
Minneapolis, MN 55459-0060

OVERNIGHT MAIL

Allianz Life Insurance Company of North America  
5701 Golden Hills Drive  
Minneapolis, MN 55416-1297

**OR**

**Fax:** 763.582.6004

**Any questions?** Call us at 800.950.1962

**Have you moved?** Please log in at [www.allianzlife.com](http://www.allianzlife.com) or call us to update your address.

# Required Minimum Distribution Questions and Answers

## **What is a Required Minimum Distribution (RMD)?**

A RMD is a distribution from an Individual Retirement Arrangement (IRA) required by the Internal Revenue Code (IRC). If you have a Traditional, SEP or SIMPLE IRA, you must start receiving distributions by April 1<sup>st</sup> of the year following the year in which you reach age 72<sup>1</sup>. You must take a distribution by December 31<sup>st</sup> every year thereafter.

If you wait until the year following the year in which you reach age 72 to take your first RMD, then you will need to take an RMD payment for the year in which you turn 72 and the current year. If you do not take an RMD, or if the RMD received is not large enough, the IRS may impose a 50% penalty based on the RMD you should have taken.

If you are the beneficiary of any type of IRA, please see your tax advisor for RMD rules that apply to IRA beneficiaries.

<sup>1</sup>If you were born prior to July 1, 1949, you were required to start receiving distributions by April 1<sup>st</sup> of the year following the year in which you reached age 70 ½.

## **How is the amount of my RMD determined?**

Your RMD amount is determined by dividing the entire interest in your annuity contract by a distribution period obtained from life expectancy tables based on your age and, if applicable, the age and relationship of your beneficiary. The entire interest under the annuity contract is the prior December 31<sup>st</sup> year end value credited under the contract plus the actuarial present value of any additional benefits provided within the annuity contract. Allianz Life Insurance Company of North America (Allianz) will calculate the RMD amount from the annuity contract for you, but you may need to adjust the RMD in certain circumstances, such as if the annuity contract received a rollover shortly after the end of the prior year.

## **How do I request a RMD payment?**

If you want to receive your RMD payment, you must complete the Required Minimum Distribution (Election) form. If we do not receive a form from you, we will assume you are taking all applicable RMDs from IRAs at other companies.

## **If I added money to my IRA contract in the current year, will the additional amount be used in calculating my RMD for the current year?**

If your Allianz IRA contract was established in a prior year, Allianz has calculated the RMD for the current year based on the entire interest value, as shown in the fair market value box of your IRS Form 5498, as of December 31<sup>st</sup> of the previous year, which does not include any amounts added in the current year.

If you took a distribution from an IRA at another company and rolled over the money into your Allianz IRA, the RMD required may be greater than the RMD calculated by Allianz. You will need to notify Allianz in writing to recalculate the RMD. If you do not provide us with the previous provider's year end value or statement, we will use the additional premium Allianz received as the December 31<sup>st</sup> year end value to recalculate the RMD. Allianz has no responsibility or liability for any IRS penalties or any other tax consequences resulting from an inaccurate RMD calculation for the current year due to money received in the current year. Please consult your tax advisor if you have any questions.

If your Allianz IRA contract was established in the current year and you do not provide us with the previous provider's year end value or statement, Allianz will use the total initial purchase payment or initial premium Allianz received as the December 31<sup>st</sup> year end value to calculate the RMD. If you do not want a distribution (e.g., if your RMD was satisfied prior to establishing your IRA contract), then you do not need to complete an RMD form.

## **What else do I need to know about calculating my RMD when I've added money to my IRA contract in the current year?**

The rules governing RMD calculations from IRAs can be complex. Our calculations are intended to assist you with receiving the correct RMD from your IRA, but when money is added to an IRA during the current year, our calculations may not be accurate. Allianz has no responsibility or liability for any IRS penalties or any other tax consequences resulting if you do not correctly complete the RMD form, or if you added money to your Allianz IRA during the current year.

**What if I need more from my annuity contract than the RMD Allianz calculated?**

The Required Minimum Distribution form should be used to request the calculated RMD. If you need more than the RMD calculated, you can separately request an additional amount by completing the applicable withdrawal request form. The amount requested in excess of the calculated RMD may be subject to withdrawal/surrender charges.

**What happens if I have received other distributions from this contract in this calendar year?**

If you have already received some type of distribution from your contract this year, those distributions will be deducted from your calculated RMD. If the previous distribution received was equal to or greater than the RMD, no further distributions are required.

**How will my RMD reduce my Investment Options/Allocation Options or specific account?**

Your RMD will be taken proportionally from each Investment Option/Allocation Option.

**FOR VARIABLE ANNUITIES ONLY:** If you have an annuity contract that allows you to withdraw money from a specific account, please indicate this in writing either on the Required Minimum Distribution form or a letter of instruction.

**If I am receiving lifetime withdrawals, lifetime payments, or systematic withdrawals, can I receive regularly scheduled payments for my RMD?**

Regularly scheduled payments for your RMD may be available.

**FOR FIXED ANNUITIES ONLY:** If you are receiving lifetime withdrawals or systematic withdrawals and need additional money to satisfy your RMD, submit a Required Minimum Distribution Election form. Once the RMD has been requested, regularly scheduled RMDs will be set up annually with the payment sent by December 31<sup>st</sup> each year.

**FOR VARIABLE ANNUITIES ONLY:** If you are receiving lifetime payments, then you may enroll in regularly scheduled payments for RMD. If you are enrolled in any other type of payment program (e.g., systematic withdrawal, Guaranteed Partial Withdrawal Benefit), then regularly scheduled payments for RMD is not available. If the annual amount of your current payment program does not satisfy your RMD, you will need to submit a Withdrawal Request form for a partial withdrawal for the remaining amount.

**If I have more than one IRA with Allianz, how will you make my distribution?**

The RMD is calculated for each contract separately, so you must complete the appropriate RMD form for each contract from which you would like to receive a RMD.

**What if I have IRAs or other employer plans at other companies that must also receive a RMD?**

Allianz will only send a RMD for IRA contracts you have with us. Any distribution you take above the calculated RMD for a specific contract may incur withdrawal/surrender charges.

**When will I receive my RMD?**

**FOR FIXED ANNUITIES ONLY:** Your RMD will be processed and sent within 10 business days of receipt of request unless you have chosen to begin distributions in November or on your contract anniversary. Annual distributions will continue each year until we receive written instructions to change or discontinue the election.

**FOR VARIABLE ANNUITIES ONLY:** Distributions will be processed on the 9<sup>th</sup> of the month, or previous business day, if the 9<sup>th</sup> of the month is not a business day. The Required Minimum Distribution form must be received in good order no later than 4:00 p.m. Eastern time on the Business Day prior to the processing date to begin distributions in the same month.

**Please consult your tax advisor for additional information regarding Required Minimum Distributions. As an insurance company Allianz, its affiliated companies, and their representatives and employees do not provide legal or tax advice. We encourage you to consult your tax and/or legal advisor with any tax or legal related questions.**

## State Tax Withholding Guide

Please refer to the applicable box below for state specific requirements for making a state tax withholding election. Keep in mind, in some cases you may not be able to make an election, or your state may require you to provide a state-specific form. In addition, if the amount indicated for state withholding is below the state required minimum, we will apply the state minimum amount. Please see your state's tax authority website for additional information.

Once the payment has been sent to you, we will not reverse the taxable event or any tax withholding.

### Mandatory State Tax Withholding

DC<sup>1</sup>, MA, or VT<sup>2</sup> Residents

State tax withholding is required. We will apply the default mandatory withholding amount for your state. **The state does not allow opting out of mandatory withholding.** You may elect more than the minimum required state withholding. See your state's tax authority website for additional information.

### Mandatory State Tax Withholding with Potential Opt Out

AR, CA<sup>2</sup>, CT<sup>3</sup>, GA<sup>4</sup>, KS, ME<sup>5</sup>, MI, MN, NC, NE, OR, VA, IA or OK Residents

State tax withholding is required, however, the state may allow you to elect **not** to have mandatory state withholding. To do so, you **must** submit your state's specific tax form. You may elect more than the minimum required state withholding. See your state's tax authority website for additional information.

### Voluntary State Tax Withholding

AL, CO, DE, MT, NM, OH, PA, SC, UT or WI Residents

State withholding is voluntary. You can provide your state withholding election to us via a letter of instruction or on your state's specific tax form if applicable. See your state's tax authority website for additional information.

AZ<sup>6</sup>, IN, MD, MO, NJ or NY<sup>6</sup> Residents

State tax withholding is voluntary. However, to have state taxes withheld, you **must** submit the state's specific tax form. See your state's tax authority website for additional information.

### State Tax Withholding Prohibited

AK, FL, HI, ID, IL, KY, LA, MS, ND, NH, NV, RI, SD, TN, TX, WA, WV, or WY Residents

State tax withholding for these states is not allowed. See your state's tax authority website for additional information.

We provide this information to help you understand state income tax withholding requirements for distributions from your annuity contract. While we make every effort to obtain information about state tax laws from sources believed to be reliable, we cannot guarantee the accuracy or timeliness of state tax withholding information because state tax laws are subject to change and interpretation. Election of state withholding for repetitive payments will continue until we receive an updated valid notification reflecting different election(s). We determine your state of residency by the address of record on your contract, which may or may not be your state of residency for tax purposes. We encourage you to contact your tax professional regarding your withholding elections and to answer any questions you may have regarding your state's withholding laws.

<sup>1</sup>Applies to full distributions from IRAs and qualified plans. All other applicable distributions can elect voluntary withholding.

<sup>2</sup>In CA and VT (non-periodic payments only), the amount of withholding for state tax is based on amount withheld for federal tax.

<sup>3</sup>For full distributions, you **cannot** elect out of mandatory state withholding.

<sup>4</sup>If electing non-periodic payments, you can elect voluntary withholding on state specific form.

<sup>5</sup>Applies to periodic payments only. You **cannot** elect out of non-periodic payments.

<sup>6</sup>Applies to periodic payments and non-periodic repetitive payments only. Withholding from onetime distribution requests is prohibited.

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

Department of the Treasury  
Internal Revenue Service

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

**2023**

<b>1a</b> First name and middle initial	Last name	<b>1b</b> Social security number
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Address \_\_\_\_\_

City or town, state, and ZIP code \_\_\_\_\_

Your withholding rate is determined by the type of payment you will receive.

- For nonperiodic payments, the default withholding rate is 10%. You can choose to have a different rate by entering a rate between 0% and 100% on line 2. Generally, you can't choose less than 10% for payments to be delivered outside the United States and its territories.
- For an eligible rollover distribution, the default withholding rate is 20%. You can choose a rate greater than 20% by entering the rate on line 2. You may not choose a rate less than 20%.

See page 2 for more information.

<b>2</b> Complete this line if you would like a rate of withholding that is different from the default withholding rate. See the instructions on page 2 and the Marginal Rate Tables below for additional information. Enter the rate as a whole number (no decimals) . . . . .	<b>2</b>	%
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<b>Sign Here</b>	<p>_____</p> <p><b>Your signature</b> (This form is not valid unless you sign it.)</p>	<p>_____</p> <p><b>Date</b></p>
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**General Instructions**

Section references are to the Internal Revenue Code.

**Future developments.** For the latest information about any future developments related to Form W-4R, such as legislation enacted after it was published, go to [www.irs.gov/FormW4R](http://www.irs.gov/FormW4R).

**Purpose of form.** Complete Form W-4R to have payers withhold the correct amount of federal income tax from your nonperiodic payment or eligible rollover distribution from an employer retirement plan, annuity (including a commercial annuity), or individual retirement arrangement (IRA). See page 2 for the rules and options that are available for each type of payment. Don't use Form W-4R for periodic payments (payments made in installments at regular

intervals over a period of more than 1 year) from these plans or arrangements. Instead, use Form W-4P, Withholding Certificate for Periodic Pension or Annuity Payments. For more information on withholding, see Pub. 505, Tax Withholding and Estimated Tax.

**Caution:** If you have too little tax withheld, you will generally owe tax when you file your tax return and may owe a penalty unless you make timely payments of estimated tax. If too much tax is withheld, you will generally be due a refund when you file your tax return. Your withholding choice (or an election not to have withholding on a nonperiodic payment) will generally apply to any future payment from the same plan or IRA. Submit a new Form W-4R if you want to change your election.

**2023 Marginal Rate Tables**

You may use these tables to help you select the appropriate withholding rate for this payment or distribution. Add your income from all sources and use the column that matches your filing status to find the corresponding rate of withholding. See page 2 for more information on how to use this table.

<b>Single or Married filing separately</b>		<b>Married filing jointly or Qualifying surviving spouse</b>		<b>Head of household</b>	
<i>Total income over—</i>	<b>Tax rate for every dollar more</b>	<i>Total income over—</i>	<b>Tax rate for every dollar more</b>	<i>Total income over—</i>	<b>Tax rate for every dollar more</b>
\$0	<b>0%</b>	\$0	<b>0%</b>	\$0	<b>0%</b>
13,850	<b>10%</b>	27,700	<b>10%</b>	20,800	<b>10%</b>
24,850	<b>12%</b>	49,700	<b>12%</b>	36,500	<b>12%</b>
58,575	<b>22%</b>	117,150	<b>22%</b>	80,650	<b>22%</b>
109,225	<b>24%</b>	218,450	<b>24%</b>	116,150	<b>24%</b>
195,950	<b>32%</b>	391,900	<b>32%</b>	202,900	<b>32%</b>
245,100	<b>35%</b>	490,200	<b>35%</b>	252,050	<b>35%</b>
591,975*	<b>37%</b>	721,450	<b>37%</b>	598,900	<b>37%</b>

\* If married filing separately, use \$360,725 instead for this 37% rate.



## General Instructions (continued)

**Nonperiodic payments—10% withholding.** Your payer must withhold at a default 10% rate from the taxable amount of nonperiodic payments **unless** you enter a different rate on line 2. Distributions from an IRA that are payable on demand are treated as nonperiodic payments. Note that the default rate of withholding may not be appropriate for your tax situation. You may choose to have no federal income tax withheld by entering “-0-” on line 2. See the specific instructions below for more information. Generally, you are not permitted to elect to have federal income tax withheld at a rate of less than 10% (including “-0-”) on any payments to be delivered outside the United States and its territories.

**Note:** If you don't give Form W-4R to your payer, you don't provide an SSN, or the IRS notifies the payer that you gave an incorrect SSN, then the payer must withhold 10% of the payment for federal income tax and can't honor requests to have a lower (or no) amount withheld. Generally, for payments that began before 2023, 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: (a) qualifying “hardship” distributions, and (b) distributions required by federal law, such as required minimum 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 \$60,000 without the payment. Step 1: Because your total income without the payment, \$60,000, is greater than \$58,575 but less than \$109,225, the corresponding rate is 22%. Step 2: Because your total income with the payment, \$80,000, is greater than \$58,575 but less than \$109,225, 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 \$42,500 without the payment. Step 1: Because your total income without the payment, \$42,500, is greater than \$24,850 but less than \$58,575, the corresponding rate is 12%. Step 2: Because your total income with the payment, \$62,500, is greater than \$58,575 but less than \$109,225, the corresponding rate is 22%. The two rates differ. \$16,075 of the \$20,000 payment is in the lower bracket (\$58,575 less your total income of \$42,500 without the payment), and \$3,925 is in the higher bracket (\$20,000 less the \$16,075 that is in the lower bracket). Multiply \$16,075 by 12% to get \$1,929. Multiply \$3,925 by 22% to get \$863.50. The sum of these two amounts is \$2,792.50. This is the estimated tax on your payment. This amount corresponds to 14% of the \$20,000 payment (\$2,792.50 divided by \$20,000). Enter “14” 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.