

# MFS® IRA DISTRIBUTION AUTHORIZATION FORM



For MFS Traditional, Rollover, Roth, SEP, SARSEP, and SIMPLE IRAs  
Trusted by MFS Heritage Trust Company

## Instructions

- Sections 1, 3, 5, 6, and 7 are required to distribute assets from your IRA account.
- If the account is a SIMPLE IRA, please also complete Section 2.
- For direct rollover distributions, please also complete Section 4.
- For distributions other than direct rollovers, please also review the Tax Withholding Information at the end of the form and, if applicable, complete and sign the attached Form W-4R.
- For all distributions, a Medallion Signature Guarantee may be required in Section 7. Please review Section 7 for requirements.
- For conversion to a Roth IRA complete the MFS Roth IRA Conversion Form located on mfs.com. Do not use this form to convert to a Roth IRA.
- You should contact your new IRA provider for the correct form to transfer your MFS IRA to a new provider.
- If you are redeeming from more than one type of IRA, please submit a separate form for each type of IRA.

## 1. Account Information

_____ IRA OWNER'S FIRST NAME			_____ MI	_____ LAST NAME		
[ ][ ]-[ ][ ]-[ ][ ][ ][ ] SOCIAL SECURITY NUMBER			[ ][ ], [ ][ ], [ ][ ][ ][ ] DATE OF BIRTH (MM/DD/YYYY)	_____ PHONE NUMBER		

\_\_\_\_\_  
MAILING ADDRESS

_____ CITY	_____ STATE	_____ ZIP CODE
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This is my new address; please update my account information. (A Medallion Signature Guarantee is required in Section 7.)  
**Note:** If the new address is a non-U.S. address, you will be restricted from making additional purchases into this account and exchanges into and out of this account.

_____ REGISTERED REPRESENTATIVE'S NAME	_____ REGISTERED REPRESENTATIVE'S PHONE NUMBER
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## 2. Two-year Period Rule [Complete this section only for distributions from a SIMPLE IRA.]

A special rule applies to distributions from a SIMPLE IRA during the two-year period beginning on the date in which you first participated in a SIMPLE IRA plan maintained by your employer. Under this rule, if the additional penalty on premature distributions applies to a distribution within this two-year period, the rate of the additional tax penalty under this rule is increased from 10% to 25%.

Provide the date on which the first contribution was deposited to your SIMPLE IRA, whether at MFS® or at another financial institution

[ ][ ], [ ][ ], [ ][ ][ ][ ]  
(MM/DD/YYYY)

**If you are unable to provide the date, MFS Service Center, Inc. will use the trade date of the initial purchase into your MFS SIMPLE Plan to determine whether this distribution is being requested within the two-year period.**

### 3. Reason for Distribution

**Important note about rollovers:** If this distribution is a direct rollover, please also complete Section 4. Note that a letter of acceptance may be required.

**Note:** Internal Revenue Service rules allow only one IRA-to-IRA rollover in any twelve-month time period, regardless of the number of IRAs an individual has or the types of IRAs (including traditional, Roth, SEP, and SIMPLE IRAs). Exceeding this limit, even if the prior rollover involved a different type of IRA, will result in an excess contribution to your IRA subject to taxation and penalties. Roth conversions (rollovers from traditional IRAs to Roth IRAs), rollovers between qualified plans and IRAs, and trustee-to-trustee transfers – direct transfers of assets from one IRA trustee to another – are not subject to the one-per-year limit and are disregarded in applying the limit to other rollovers. You may want to consult with your tax advisor before making a rollover.

By requesting this distribution, I certify that one of the following applies (choose one):

- I have reached age 59½.
- I am under the age of 59½ and I am aware that this is a premature distribution and may be subject to IRS penalties unless I directly roll over the proceeds to a qualified retirement plan as indicated in Section 4.
- I have reached Required Minimum Distribution age and (choose one)
  - MFS is already calculating my Required Minimum Distribution.
    - Please recalculate my Required Minimum Distributions.
  - MFS is not calculating my Required Minimum Distribution and this is part of my Required Minimum Distribution.
  - the distribution is a qualified charitable distribution.
- I am disabled as described under the Internal Revenue Code.

### 4. Direct Rollover to a Qualified Retirement Plan

**Important Rollover Instructions.** You must contact your new investment provider before submitting this form to MFS Investment Management. They may require additional documentation to be completed. MFS Investment Management requires both a Letter of Acceptance from the new investment provider indicating acceptance of the funds to be rolled over, signed by an authorized signer, and this completed form to process this direct rollover.

**Note:** If you have not notified your employer sponsoring the plan of your intent to complete a direct rollover or have not obtained a Letter of Acceptance, there is a possibility that your employer sponsoring the plan will not accept the proceeds from the direct rollover distribution.

Choose one:

- This is a full rollover of all IRA fund(s) and account(s) listed in Section 5.
- This is a partial rollover of \$ \_\_\_\_\_. Indicate the funds and account number(s), and the dollar or share amount per account in Section 5.

If you have indicated in Section 3 that you have reached Required Minimum Distribution age and MFS is calculating your Required Minimum Distribution amount, any remaining payments for this year must be paid to you and cannot be rolled over to the new investment provider.

**Note for SIMPLE IRA Plans:** You must have already completed the initial two-year participation period in a SIMPLE IRA Plan before making a rollover into or out of a SIMPLE IRA Plan.

## 5. Redemption Instructions

If the amount requested exceeds the account balance, all shares in the account will be sold. If your request includes recently purchased shares, MFSC may delay the payment of redemption proceeds of those shares for a period of up to seven business days in order to enable MFSC to confirm that the funding has cleared. These redemption proceeds will generally be sent separately in the form of a check.

Please note that if you elect to redeem all shares from any of your MFS accounts, any existing Automatic Investment or Exchange Options on the redeemed accounts will be discontinued.

Please complete either Part A or Part B below.

### A. Redeem the entire balance from all accounts under my:

Traditional IRA    Roth IRA    SEP IRA    SARSEP IRA    SIMPLE IRA

### B. I have provided specific fund/account(s) and redemption amounts below from which to redeem.

Your fund/account numbers are printed on your Investment Summary statement. The fund number is the first four digits before the hyphen and the account number follows the hyphen. Indicate the amount to be sold.

FUND NUMBER	ACCOUNT NUMBER	AMOUNT	SELECT ONE:		
			SHARES	DOLLARS	ALL
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

## 6. Payment Instructions

If no instructions are provided, the check will be mailed to the address of record.

Choose one:

- Make check payable to me and mail to my address of record.
- Make check payable to a special payee and/or mail to a special address, as provided below. A Medallion Signature Guarantee is required in Section 7.
- Make check payable to a new qualified plan.
  - I have included a Letter of Acceptance. (If payment instructions are given within the new qualified plan's Letter of Acceptance, those instructions will be followed.)
  - I have not included a Letter of Acceptance. I have provided the special payee information below. A Medallion Signature Guarantee is required in Section 7.

\_\_\_\_\_  
SPECIAL PAYEE/NEW QUALIFIED PLAN PROVIDER

\_\_\_\_\_  
SPECIAL ADDRESS

\_\_\_\_\_  
CITY

\_\_\_\_\_  
STATE

\_\_\_\_\_  
ZIP CODE

- Wire proceeds to the new qualified plan provider using the instructions provided below. (If payment instructions are given in the new qualified plan's Letter of Acceptance, those instructions will be followed.) A Medallion Signature Guarantee is required in Section 7 if a Letter of Acceptance is not provided.
- Direct deposit the proceeds to my bank account. I have attached a voided check and/or preprinted deposit slip. In lieu of an original voided check or deposit slip, you may submit a letter from your bank providing the name(s) on the account, routing number, and account number. The letter from the bank must be on their letterhead.

**A Medallion Signature Guarantee is required in Section 7 if the bank information provided is not yet on file or has been added or updated on your account within the past 30 days.**

If direct deposit was selected, please indicate the type of account, select one of the following methods of deposit, and provide bank account information below, which will be compared to the voided check or preprinted deposit slip to ensure accuracy.

All fields below must be completed to send the funds via direct deposit.

Type of Account:  Checking  Savings

ACH - If this method is chosen, the bank information provided must have an owner in common with the MFS account registration.

Wire

\_\_\_\_\_  
NAME ON CHECKING/SAVINGS ACCOUNT (REQUIRED)

\_\_\_\_\_  
BANK NAME (REQUIRED)

\_\_\_\_\_  
BANK ACCOUNT NUMBER (REQUIRED)

\_\_\_\_\_  
BANK ROUTING NUMBER (REQUIRED)

**Attach an original voided check or preprinted deposit slip.**

If the bank information provided has an owner in common with the MFS account registration, the bank information will be added to your account. If you do not wish to retain the bank information on your account, please attach a letter of instruction.

## 7. Authorization

Please sign your name exactly as it appears on your account. By signing, you authorize this distribution and acknowledge that you have read the enclosed Tax Withholding Information, and that you are aware of any fees or sales charges associated with this transaction. You further certify that (1) all distribution amounts that are rolled over directly to an eligible retirement plan are eligible rollover distribution amounts; (2) you have verified that the eligible retirement plan account that will receive the direct rollover is an eligible plan; and (3) this distribution is in agreement with the Trust Agreement. The Trustee of the MFS IRA plan and any MFS affiliates are entitled to rely on your authorization and are released from any and all claims you may have, or claim to have, with respect to this distribution.

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
DATE (MM/DD/YYYY)

\_\_\_\_\_  
PRINT NAME

### Medallion Signature Guarantee

A Medallion Signature Guarantee is **required** if:

- Your total distribution is more than \$100,000, or
- Your check is made payable to a different name, or
- You are acting on behalf of the shareowner, or
- Your check is mailed to an address other than the address of record, or
- You elected a direct rollover in Section 4 and did not provide a letter of acceptance, or
- The proceeds are direct deposited to your bank account (see Section 6), or
- You have notified MFS of an address change within the past 30 days.

AFFIX GUARANTEE STAMP HERE

Medallion Signature Guarantee stamp must not be dated. The signature(s) must be guaranteed by an eligible bank, broker, dealer, credit union, national securities exchange, registered securities association, clearing agency, or savings association. Medallion Signature Guarantees will be accepted in accordance with policies established by MFS Service Center, Inc. Notarization by a notary public is not acceptable in lieu of a Medallion Signature Guarantee provided by one of the eligible guarantor institutions listed above.

If you have any questions about this form, please contact the Retirement Plans Service Department at 1-800-637-1255 any business day.

#### Mail completed form to:

##### Regular mail

MFS Service Center, Inc.  
P.O. Box 219341  
Kansas City, MO 64121-9341

##### Overnight mail

MFS Service Center, Inc.  
801 Pennsylvania Ave, Suite 219341  
Kansas City, MO 64105-1307

# TAX WITHHOLDING INFORMATION



**Please complete and sign the attached Form W-4R to make a withholding election. Refer also to the list of states on the following page and submit the appropriate state form in addition to the Form W-4R, if applicable. The amount requested for distribution will be reduced by any tax withholding selected.**

## IRA Accounts

If a tax withholding choice is not made on the attached Form W-4R, applicable taxes will be withheld. Federal tax withholding will not be withheld from Roth IRAs.

**Notice of federal withholding.** The distribution you receive is subject to a federal income tax withholding rate of 10%, unless you elect on the Form W-4R not to have withholding apply. If you do not make a withholding election on the attached Form W-4R and sign the form, federal income tax at a rate of 10% will be withheld on the gross amount of the payment because we are unable to determine amounts not subject to withholding. You can elect out of withholding by entering 0% on line 2 on Form W-4R. You may also elect a different percentage (between 1% and 100%) on line 2. Even if you elect not to have federal income tax withheld, you are liable for payment of federal income tax on the taxable portion of your distribution. You may also be subject to tax penalties under the estimated tax payment rules if your payments of estimated tax and withholding, if any, are inadequate. MFS will also withhold state income taxes unless you elect not to have federal withholding apply if your address of record is in a state that requires state withholding (refer to the State income tax information on the next page).

**Note:** Distributions from Roth IRAs are not subject to federal tax withholding. For all Roth IRA distribution requests, if no withholding election is made, taxes will not be withheld.

## 403(b) Accounts

### A. Mandatory withholding for eligible rollover distributions

Federal law requires MFS Service Center, Inc. to withhold federal income tax from your distribution at the rate of 20% unless it is rolled over directly to an IRA or other eligible retirement plan. You may also elect to withhold more than 20% on line 2 of the attached Form W-4R. The withholding is mandatory; you may not waive it. Please review the enclosed notice for additional information. Distributions which are not rolled over directly to an IRA or other eligible retirement plan and which are paid to residents of states that require state withholding (refer to the State income tax information on the next page) are subject to mandatory state income tax withholding. If your state requires withholding, MFS will withhold at least the minimum state tax regardless of your election. The mandatory withholding will automatically be applied to distributions paid directly to you unless the distribution is due to financial hardship or is due to Required Minimum Distribution.

**B. For Required Minimum Distributions and Hardship distributions** (Distributions not subject to mandatory 20% withholding)

**To elect out of withholding or to request withholding at a rate other than 10%, you must complete and sign the attached Form W-4R.**

**Notice of federal withholding.** The distribution you receive is subject to a federal income tax withholding rate of 10%, unless you elect on the attached Form W-4R not to have withholding apply. If you do not make a withholding election on the attached Form W-4R, federal income tax at a rate of 10% will be withheld on the gross amount of the payment because we are unable to determine amounts not subject to withholding. You can elect out of withholding by entering 0% on line 2 on Form W-4R. You may also elect a different percentage (between 1% and 100%) on line 2. Even if you elect not to have federal income tax withheld, you are liable for payment of federal income tax on the taxable portion of your distribution. You may also be subject to tax penalties under the estimated tax payment rules if your payments of estimated tax and withholding, if any, are inadequate. MFS will also withhold state income taxes unless you elect not to have federal withholding apply if your address of record is in a state that requires state withholding (refer to the State income tax information on the next page).



## State income taxes

Refer to the chart below for state income tax information.

For residents of:	State withholding information
CA, DE, KS, MA, ME, NC, OR, and VT	MFS will withhold state income taxes on both IRA and 403(b) accounts unless you elect not to have federal withholding apply.
NE and VA	MFS will withhold state income taxes on 403(b) accounts unless you elect not to have federal withholding apply. MFS will not withhold state income taxes from IRA distributions.
AR	Residents of AR will have state income taxes withheld on IRA, non-qualified one-time ROTH IRA, and 403(b) distributions regardless of federal income tax withholding elections. To opt out of AR state income tax withholding you must submit a completed Form AR4P.
CT	Residents of CT will have state income taxes withheld on both IRA and 403(b) accounts regardless of federal income tax withholding unless you submit or have submitted a completed Form CT-W4P for a periodic or partial distribution. State income tax will also be applied to non-qualified one-time Roth IRA distributions without a completed CT-W4P on file. State withholding will not be applied to Systematic Withdrawal Plan (SWP) distributions from Roth IRAs.
IA	Residents of IA will have state income taxes withheld on both IRA and 403(b) accounts unless you qualify for the retirement income exclusion.
MD	MFS will withhold state income taxes on distributions from 403(b) accounts that are eligible rollover distributions. MFS will not withhold state income taxes from IRA distributions.
MN	Residents of MN will have state income taxes withheld on both IRA and 403(b) accounts regardless of whether you've elected federal income tax withholding unless you submit or have submitted a completed Form W-4MNP for a periodic or non-periodic distribution. If not already submitted, a Form W-4MNP should be submitted with this distribution request. If you have not submitted a completed W-4MNP at the time of your distribution request, MFS will withhold based on the applicable state tax rate in accordance with state statute. State income tax will also be applied to non-qualified one-time Roth IRA distributions without a completed Form W-4MNP on file. State withholding will not be applied to Systematic Withdrawal Plan (SWP) distributions from Roth IRAs.
OK	Residents of OK will have state income taxes withheld on both IRA and 403(b) accounts regardless of federal income tax withholding unless you submit a completed Form OK-W-4-R for a periodic or partial distribution with this request.
All other states	MFS will not withhold state income taxes from IRA or 403(b) distributions.

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

**2025**

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

<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>	Your signature (This form is not valid unless you sign it.)	Date
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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.

**2025 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>
15,000	<b>10%</b>	30,000	<b>10%</b>	22,500	<b>10%</b>
26,925	<b>12%</b>	53,850	<b>12%</b>	39,500	<b>12%</b>
63,475	<b>22%</b>	126,950	<b>22%</b>	87,350	<b>22%</b>
118,350	<b>24%</b>	236,700	<b>24%</b>	125,850	<b>24%</b>
212,300	<b>32%</b>	424,600	<b>32%</b>	219,800	<b>32%</b>
265,525	<b>35%</b>	531,050	<b>35%</b>	273,000	<b>35%</b>
641,350*	<b>37%</b>	781,600	<b>37%</b>	648,850	<b>37%</b>

\* If married filing separately, use \$390,800 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 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.

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**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.