

PART I - Member Information

Employer Name

Full Name

Last Four of SSN

Non-work Phone

Non-work Email

PART II - Taxable

You must select one option below for your **TAXABLE** amounts.

For the **taxable** portion of my lump sum distribution, please pay: (select only one)

100% To Me

I authorize PMRS to disburse funds to me. I understand that 20% of the taxable distribution will be withheld and remitted to the IRS, unless otherwise indicated on the form W-4R to withhold more.

100% Directly To My Traditional IRA Or Other Qualified Retirement Plan

I authorize PMRS to disburse funds directly to the provider listed below. I understand that PMRS will not withhold taxes and that I am not required to claim the taxable sum in the current year.

Part To Me And Part To My Other Plan

Pay \$ or % of my taxable distribution directly to me. I understand that 20% of the taxable distribution will be withheld and remitted to the IRS, unless otherwise indicated on the form W-4R to withhold more.

Then, please pay any remaining amount to my Traditional IRA/IRS-Qualified Plan as indicated below.

I understand that PMRS will not withhold taxes from amounts rolled over.

The taxable portion of my distribution that I have elected to roll over (if any) should be made payable as follows:

Financial Institution Name

Account Number

Financial Institution Address

City

State

Zip

Financial Institution Phone Number

Financial Advisor Name, If Applicable

Financial Advisor Phone Number

Financial Advisor Email

This account is a: (select one)

Traditional IRA

Qualified Retirement Plan

See reverse for instructions and important information

PART III - Non-Taxable

You must also select one option below for your **NON-TAXABLE** amounts.

For the **non-taxable** portion of my lump sum distribution, please pay: (select only one)

100% To Me

I authorize PMRS to disburse funds to me and that no taxes will be withheld.

100% Directly To My Roth IRA

I authorize PMRS to disburse funds directly to the provider listed below. I understand that no taxes will be withheld.

Part To Me And Part To My Roth IRA

Pay \$ or % of my non-taxable distribution directly to me. I understand that PMRS will not withhold taxes from this amount.

Then, please pay any remaining amount to my Roth IRA as indicated below.

I understand that PMRS will not withhold taxes from amounts distributed to providers.

I have elected to have a portion of my **non-taxable** distribution rolled over to my Roth IRA. Please disburse funds to:

Financial Institution Name

Account Number

Financial Institution Address

City

State

Zip

Financial Institution Phone Number

Financial Advisor Name, If Applicable

Financial Advisor Phone Number

Financial Advisor Email

PART IV - Certification

By signing, I certify that the recipient of the direct rollover(s) named above (as applicable) is an Individual Retirement Account or an IRS-Qualified Retirement Plan that accepts rollovers. I have read and understand the attached IRS Tax Notice Regarding PMRS Lump Sum Distributions. I understand that by receiving this lump sum distribution, I will forfeit any future benefits with respect to the lump sum amount paid.

Employee Signature

Date of Signature (mm/dd/yyyy)

See reverse for instructions and important information

INSTRUCTIONS

Who completes the form and why?

Members complete this form to withdraw a lump sum from their pension account at the time of retirement or upon terminating membership in PMRS.

When must the form be submitted?

If requesting a lump sum at the time of retirement, this form must accompany your application for retirement. The most common applications are the “Application for Retirement Benefits” (PMRB-8), the “Application for Retirement Benefits with Spouse’s Option” (PMRB-50), or the “Application to Exit the Deferred Retirement Option Plan” (PMRB-44). Complete and return this form and the appropriate retirement application form to PMRS no later than 90 days after your last day of employment.

If requesting a lump sum upon terminating membership in PMRS, this form must accompany your “Application for Return of Contributions” (PMRB-4). If you leave employment or choose not to vest your benefit in PMRS, you should fully complete and submit these forms to PMRS as soon as possible after your last day of employment.

If requesting a lump sum as a beneficiary upon the death of a PMRS member, this form must accompany an “Application for Death Benefits” (PMRB-13).

Instructions for submitting the form:

- Print legibly in blue or black ink or type and save.
- Complete both taxable and non-taxable sections, if applicable.
- Double check all account numbers and mailing addresses provided.
- Sign and date the form.
- Return the form via mail or email to PMRS.
- Retain a copy of the form for your financial files.

Key considerations:

Not every PMRS-participating pension plan allows members to withdraw lump sums at the time of retirement.

Not every PMRS member has payable benefits at the time of death.

Depending on the specific provisions of your pension plan, you may have both taxable and non-taxable money included in your lump sum distribution. In that case, both the taxable and non-taxable sections of this form must be completed, otherwise PMRS will not be able to process this form.

According to the IRS, some post-tax contributions are not considered to be tax free if included in a lump sum distribution. This means that your total post-tax contributions may be substantially different than the tax free amount available in a lump sum distribution. See IRS Publication 575, Pension and Annuity Income, at <https://www.irs.gov/publications/p575>.

You are strongly encouraged to contact PMRS to request an up-to-date estimate of your benefits at least 90 days prior to your planned date of retirement.

PMRS does not provide tax advice. Information provided on this form is general in nature. There are a number of circumstances in which special rules may apply – including but not limited to, withdrawal amount, your age, or how long it takes to apply rollover sums to an approved account. If selecting a lump sum distribution, you are strongly encouraged to seek guidance from a tax professional.

If you are eligible and choose to take a lump sum distribution from the plan, there are four ways you may do so:

1. The distribution could be paid directly to you. If you choose this option, any taxable amount must be reported to the IRS as income in the current tax year. PMRS will withhold 20% for payment to the IRS.
2. The taxable distribution could be rolled over directly to a traditional IRA or other IRS-qualified plan, if such a plan will accept the distribution and hold it for your future retirement benefit. If you choose this option, you will pay taxes in the future years in which you receive the benefits. PMRS will not withhold or pay anything to the IRS.
3. The non-taxable distribution could be rolled over directly to a Roth IRA. If you choose this option, the taxable amount of the distribution will be reported to the IRS in the current tax year and you must claim it. PMRS will not withhold or pay anything to the IRS.
4. The distribution could be divided, with some paid directly to you and some paid to either a traditional IRA/IRS-qualified plan or to a Roth IRA. If you choose this option, each portion will be subject to the corresponding reporting, taxation, and withholding as listed above.

Pennsylvania Municipal Retirement System

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