

☎ (888) 205 - 6036 📠 (505) 212 - 0494 ✉ operations@horizontrust.com

📍 Horizon Trust Correspondence, PO BOX 27068, Newark NJ 07101

### PART 1. PLAN PARTICIPANT INFORMATION

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First Name:	M.I.:	Last Name:	Account #:
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Last 4 SSN Digits:	Date of Birth: (MM/DD/YYYY)	Email Address:
<input type="text"/>	<input type="text"/>	<input type="text"/>

### PART 2. REASON FOR DISTRIBUTION

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If no option is checked, we will default to "Normal Distribution."

Normal Distribution *(Over age 59½)*

Early Distribution

Required Minimum Distribution *(Note that required minimum distributions are not eligible to be rolled over.)*

### PART 3. DISTRIBUTION AMOUNT & FREQUENCY

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Indicate the amount and frequency of each payment. All accounts are required to maintain a minimum cash balance of \$500. If your request would drop your balance below this amount, the request may not be processed. Recurring distributions will continue until we receive written direction from you to cancel.

Gross Amount Per Payment:	Date to Begin (MM/DD/YYYY):	Payment Occurrence:
<input type="text"/>	<input type="text"/>	<input type="radio"/> Monthly <input type="radio"/> Quarterly <input type="radio"/> Annually

**!** **IMPORTANT:** To ensure this recurring distribution request will be processed by your selected start date, you must have available funds in your account and this distribution request must be received (with a copy of a voided check for ACH payments) no later than 10 business days before the selected start date.

## PART 4. DISTRIBUTION DIRECTION

Please select a direction for this Recurring Distribution Request.

New or Additional Setup

Replaces Existing Payment

Stop or Cancel Existing Payment

## PART 5. WITHHOLDING INFORMATION (Form W-4R/OMB No. 1545-0074)

Complete this withholding section only if your distribution is **NOT** eligible to be rolled over.

### Federal Withholding (Select one option)

If your distribution is eligible to be rolled over to an IRA or retirement plan, but is paid to you, we are required to withhold 20% federal income tax and applicable state income tax. You cannot waive this withholding. If your distributions are not eligible to be rolled over, you may elect to waive withholding or you may elect to withhold federal income tax of 10% or more. If you do not make an election, 10% federal withholding will apply.

Withhold the following percentage of Federal Income Tax from the amount withdrawn: (Must be 10% or greater.)  %

**DO NOT** withhold Federal Income Tax

 I understand that I am liable for the payment of federal income tax on the amount of any distribution received and that I may be subject to penalties under the estimated tax payment rules if my payments of the estimated tax and withholding are insufficient.

### State Withholding (Select one; If no option is selected for state withholding, the required withholding may apply. Refer to page 5-7 for the required state withholding)

The elections below will apply to the following Withholding State:

Withhold the following percentage of State Income Tax from the amount withdrawn:  %

**DO NOT** withhold State Income Tax

 I understand that I am liable for the payment of state income tax on the amount of any distribution received and that I may be subject to penalties if my payments are insufficient.

## PART 6. PAYMENT METHOD

**Option 1. Check to Individual Payee** *(See current Fee Schedule for applicable fees.)*

Send check via:  Regular Mail  Overnight Mail (\$50.00)  Cashier's Check + Overnight Mail (\$50.00)

Payee Name:

Payee Tax ID #:

Payee Address:

City:

State:

Zip:

**Option 2. Direct Deposit**

Bank Name:

Phone:

Check here if separate funding instructions or additional information is attached.

Payee Name: *(On bank account)*

Payee Tax ID #:

Payee Address:

City:

State:

Zip:

Type:

Checking

Savings

Bank Account #:

ABA (Routing) #:

## PART 7. PLAN PARTICIPANT AUTHORIZATION

**Important: Please read before signing.**

I have read and understand the distribution notice provided to me. In addition, if I am eligible to waive the notice requirements under Internal Revenue Code Sections 402(f), 417(a)(3), and 411(a)(11), I hereby waived the 30-day notice period.

I certify that I am authorized to take distributions from this retirement account and all information provided by me is true and accurate. I confirm receipt of the State Withholding Notice Information. I understand this is a self-directed account meaning that I am solely responsible for the selection, due diligence, management, review, retention and liabilities of all investment(s) and for the accuracy of the instructions provided to the Custodian or Administrator to fulfill those investments. I understand the Custodian and Administrator are not fiduciaries and do not provide investment, tax or legal advice. I expressly assume all liability, and agree Custodian is not responsible, for any consequences that may arise from this distribution.

Signature of Plan Sponsor: *(Employer)*

Plan Sponsor Name: *(Print or Type)*

Date: *(MM/DD/YYYY)*

Signature of Plan Participant:

Plan Participant: *(Print or Type)*

Date: *(MM/DD/YYYY)*

*Required if distribution is due to death*

*Required if distribution is due to death*



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Eligible Rollover Distributions

Eligible rollover distributions can be made directly to another qualified retirement plan/401(k), governmental 457(b), 403(a), 403(b), or government thrift savings plan that will accept it (direct rollover) or, if you choose, a Traditional, SIMPLE, or Roth IRA.

Eligible rollover distributions are all distributions from the plan except the following:

- Required minimum distributions;
Certain installment payments that are a part of a series of equal (or almost equal) periodic payments that will last for your lifetime (or the joint lives of you and your beneficiary) or for a specified period of 10 years or more; and
Distributions due to hardship

If you choose to rollover an eligible rollover distribution to a Roth IRA, you must include all pre-tax assets in your taxable income in the year of the distribution.

NOTE: A rollover to a SIMPLE IRA may not be made until two years after the first contribution to the SIMPLE IRA.

Withholding Instructions

Lump Sum Distribution/Partial Distribution - If your distribution is eligible for rollover and it is being distributed directly to you, you will be subject to mandatory Federal tax withholding of 20 percent of the payment (and State tax, if applicable) that must be submitted to the IRS at the time of the distribution as income tax withholding to be credited against your taxes. You cannot waive this withholding.

If your distribution is not an eligible rollover distribution, Federal tax (and State tax, if applicable) will be withheld at the rate of 10 percent of the payment, unless you specify to waive withholding or withhold at a higher rate.

State Withholding - Depending on your state of residency, the custodian may be required to withhold state income tax at a rate specified by your state, unless you waive it.

Direct Rollover - There is no mandatory withholding for direct rollovers. If your distribution is being directly rolled over to a Roth IRA, withholding is optional. Please specify if you wish to have Federal tax (and State tax, if applicable) withheld from your distribution. Even if you do not have income tax withheld, you are liable for payments of 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 not adequate.

Your withholding election does not apply to any periodic or non-periodic distributions that are delivered outside the U.S. or its possessions to a U.S. citizen or resident alien. If you are a non-resident alien, your distributions are generally subject to a tax-withholding rate of 30 percent. A reduced withholding rate, including exemption, may apply if there is a tax treaty between your country of residence and the United States, and you submit Form W-8BEN, Certificate of Foreign Status of Beneficial owner for United States Tax Withholding, or satisfy the documentation requirements as provided under the regulations.

Periodic Distribution

For purposes of the withholding rules on distributions that are not eligible rollover distributions, a periodic distribution is one that is includible in your income for tax purposes and that you receive in installments at regular intervals (e.g., annually, quarterly, monthly, etc.) over a period of time (more than one year).

Periodic distributions are treated as wages for purposes of withholding. If you do not waive withholding on your periodic distributions, Federal income tax needs to be withheld from each payment as if you were a married individual claiming three withholding allowances. However, you can change the amount of the withholding.

Withholding Allowances:

Input field for withholding allowances

Marital Status:

Single checkbox

Married checkbox

Married, but withhold at a higher "single" rate checkbox

Additional Amount to be Withheld:

Input field for additional amount to be withheld

I elect to waive Federal Income Tax (and State Withholding, if applicable) checkbox

Remember that there are penalties for not paying enough tax during the year, either through withholding or estimated tax payments. New retirees, especially, should see IRS Publication 505, Tax Withholding and Estimated Tax. It explains the estimated tax requirements and penalties in detail. You may be able to avoid quarterly estimated tax payments by having enough tax withheld from your pension or annuity using Form W-4R, Withholding Certificate for Pension or Annuity Payments.

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This guide provides general information about state withholding requirements for 401(k) distributions. This material is for informational purposes only and is not intended to provide a complete overview of state withholding rules and regulations, and may not reflect their application in every circumstance for all individuals. The information on this guide is obtained from state revenue authorities, and every effort has been made to ensure its accuracy. Because state tax laws are subject to constant change and interpretation, often without prior notice, this guide's content reflects information available as of its revision date only and its timeliness and accuracy cannot be guaranteed. The information provided on this guide should not be relied upon, and is not intended, as tax, legal, or accounting advice.

## General Rules

In most cases, state withholding applies to state residents only.

Financial organizations are required to offer state withholding for states in which they have a presence. Financial organizations that conduct business in a state in which they do not have a physical presence should review the withholding regulations in those states to determine if they are also required to comply with those states' withholding requirements.

If a state withholding election is not made and state withholding is required, state tax will be withheld.

A state withholding election may be changed at any time and will apply to payments made after the change.

## Mandatory State Withholding

These states have mandatory withholding requirements, including states where withholding is voluntary for the 401(k) owner but becomes mandatory for the financial organization upon the 401(k) owner's election to have state withholding apply.

**Arkansas.** 401(k) distributions are subject to state withholding at 3.0% of the gross payment, unless the 401(k) owner elects no state withholding.

**California.** California provides three withholding methods: (1) an amount determined using the California withholding schedules (see Form DE-4P); (2) a dollar amount designated by the 401(k) owner; (3) 10% of the amount of federal withholding. An 401(k) owner may also elect no state withholding. This form supports methods 2 and 3. To use method 1, the 401(k) owner should contact the financial organization to confirm they can support the method and furnish them with Form DE-4P. The form may be obtained from the California Employment Development Department.

**Connecticut.** Taxable lump-sum 401(k) distributions are subject to mandatory state withholding at 6.99% of the gross payment. Any other taxable distribution from an 401(k) is subject to state withholding at 6.99% of the gross payment, unless the 401(k) owner furnishes the financial organization with a completed Form CT-W4P. Form CT-W4P may be obtained from the Connecticut Department of Revenue Services.

**Delaware.** State withholding is required for 401(k) distributions that are subject to required federal withholding. A rate of 5.0% of the gross payment will apply by default. An 401(k) owner may elect state withholding at a rate of not less than 5% of the gross payment if they elect out of federal withholding.

**District of Columbia.** Lump-sum 401(k) distributions (i.e., total distributions) are subject to mandatory state withholding at 10.75% of the gross payment, except for any after-tax amount in a lump-sum distribution or a trustee to trustee transfer between 401(k)s. Only nonresidents of DC (or those whose residential status is in question) may waive withholding by providing the financial organization with Form D-4A. For more information, refer to the DC office of Tax and Revenue.

**Georgia.** 401(k) distributions are subject to state withholding only when the 401(k) owner elects state withholding. Use the Georgia Department of Revenue bonus rate table that applies to bonus wages to determine what percentage to withhold. The 401(k) owner must calculate an amount to withhold based on this percentage, and must furnish the financial organization with a completed Form G-4P. The form and the bonus rate table may be obtained from the Georgia Department of Revenue.

**Indiana.** 401(k) distributions are subject to state withholding only when the 401(k) owner requests state withholding and the financial organization is located in Indiana. The request for withholding must be made in writing using Form WH-4, which may be obtained from the Indiana Department of Revenue. If state withholding is elected, the financial organization is not required to withhold the amount specified if the withheld amount would be less than \$10 (per payment). Only flat whole-dollar amounts may be withheld.

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**IOWA.** If the 401(k) owner does not qualify for the retirement income exclusion, 401(k) distributions are subject to state withholding at 5.0% of the gross payment if federal income taxes are withheld from the payment. Amount withheld must be at least \$10. The 401(k) owner must furnish Form IA W-4P to the financial organization indicating their qualification for the retirement income exclusion or withholding election. For more information, refer to the Iowa Department of Revenue.

**Kansas.** 401(k) distributions are subject to state withholding at 5.0% of the gross payment if federal income taxes are withheld from the payment or if the 401(k) owner requests state withholding in writing. Withholding may not be waived unless federal withholding is not required.

**Maine.** 401(k) distributions are subject to state withholding at 5.0% of the gross payment if federal income taxes are withheld from that payment. If an 401(k) owner opts out of federal withholding, they may request to have state tax withheld on Form W-4ME. The form may be obtained from Maine Revenue Services.

**Maryland.** 401(k) distributions are subject to state withholding only when the 401(k) owner elects state withholding. The 401(k) owner must furnish the financial organization with a completed Form MW507P indicating an amount to withhold. Form MW507P may be obtained from the Maryland Department of Revenue.

**Massachusetts.** 401(k) distributions are subject to state withholding at 5.0% of the gross payment if federal income taxes are withheld from the payment. If the total annual payment is more than \$1,053,750, the financial organization should withhold the lesser of (1) 9% of the amount of the distribution or (2) 9% of the total amount in excess of \$1,053,750 plus 5% of the amount that does not exceed \$1,053,750. An 401(k) owner may opt out of state withholding if the distribution is excluded from taxation under Massachusetts law; the 401(k) owner must provide their financial organization with Form M-4P. For more information, and to obtain Form M-4P, refer to the Massachusetts Department of Revenue.

**Michigan.** Any taxable distribution from an 401(k) received by an 401(k) owner or beneficiary born after December 31, 1945, is subject to state withholding at 4.25% of the gross payment, unless the 401(k) owner furnishes the financial organization with a completed Form MI W-4P. Withholding also applies to any taxable distributions received by an 401(k) owner or beneficiary born before 1946 that exceeds certain income thresholds. Withholding is not required on qualified distributions from Roth 401(k)s. Form MI W-4P may be obtained from the Michigan Department of Treasury.

**Minnesota.** 401(k) distributions are subject to mandatory state withholding of 6.25% of the gross payment, unless the 401(k) owner furnishes the financial organization with Form W-4MNP indicating their election to not withhold Minnesota income tax or to elect a different withholding amount or percentage. Form W-4MNP may be obtained from the Minnesota Department of Revenue. (See Form W-4MNP instructions for important information about certain exceptions to state withholding and prior elections.)

**Mississippi.** 401(k) distributions that are federally defined as early or excess distributions are subject to state withholding. The Mississippi Withholding Income Tax Tables provide two withholding rates: 0% and 4.7%. The 4.7% rate applies if state withholding applies, unless the 401(k) owner qualifies for the 0% rate. The 401(k) owner must furnish the financial organization with Form 89-350 if they wish to apply the 0% rate. The form and tax tables may be obtained from the Mississippi Department of Revenue. Any amount withheld must be rounded to the nearest whole dollar.

**Missouri.** 401(k) distributions are subject to state withholding at 4.95% of the gross payment, unless the 401(k) owner elects no state withholding by providing the financial organization with their election to waive withholding on Form MO W-4P. The form may be obtained from the Missouri Department of Revenue.

**Montana.** 401(k) distributions are subject to state withholding when an 401(k) owner elects state withholding and specifies an amount. If state withholding is elected, the financial organization is not required to withhold the amount specified if it would result in a net payment of less than \$10. 401(k) owners must furnish the financial organization with Form MW-4. The form may be obtained from the Montana Department of Revenue.

**Nebraska.** 401(k) distributions are subject to state withholding at 5% of the gross payment if federal income taxes are withheld from the payment and the payment is not a premature distribution. If an 401(k) owner opts out of federal withholding, they may request to have additional state tax withheld on Form W-4N. For more information, refer to the Nebraska Department of Revenue.

**New Jersey.** 401(k) distributions are subject to state withholding when an 401(k) owner elects state withholding and specifies an amount. The 401(k) owner must specify an even dollar amount. If state withholding is elected, the financial organization is not required to withhold the amount specified if the withheld amount would be less than \$10 (per payment). 401(k) owners must specify their state withholding election on Form NJ-W-4P and provide it to their financial organization. The form may be obtained from the New Jersey Division of Taxation.

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**New Mexico.** 401(k) distributions are subject to state withholding when an 401(k) owner elects state withholding and specifies an amount. If state withholding is elected, the financial organization is not required to withhold the amount specified if the withheld amount would be less than \$10 (per payment).

**North Carolina.** 401(k) distributions are subject to state withholding at 4.0% of the gross payment or state withholding may be waived. Form NC-4P must be furnished to the financial organization specifying the 401(k) owner's election. An election must be made on a distribution-by-distribution basis. Form NC-4P may be obtained from the North Carolina Department of Revenue.

**Oklahoma.** 401(k) distributions are subject to state withholding at 4.75% of the gross payment if federal income taxes are withheld from the payment or if the 401(k) owner requests state withholding in writing. 401(k) owners must furnish their financial organization with Form OK-W-4-R specifying their withholding election. The form may be obtained from the Oklahoma Tax Commission.

**Oregon.** 401(k) distributions are subject to state withholding at 8.0% of the gross payment, unless the 401(k) owner elects no state withholding by furnishing Form OR-W4 to the financial organization. The form may be obtained from the Oregon Department of Revenue.

**Utah.** 401(k) distributions are subject to state withholding at 4.55% only when the 401(k) owner elects state withholding. For more information, refer to the Utah State Tax Commission Publication 14, Withholding Tax Guide – Utah Withholding Information and Tax Tables.

**Vermont.** 401(k) distributions are subject to state withholding at 30% of the 401(k) owner's federal withholding election of the gross payment if federal income taxes are withheld from the payment or if the 401(k) owner requests state withholding in writing.

**Wisconsin.** 401(k) distributions are subject to state withholding when an 401(k) owner elects state withholding and specifies an amount. If state withholding is elected, the financial organization is not required to withhold the amount specified if the withheld amount would be less than \$5 (per payment).

## No State Withholding

State withholding is not applicable in the following states.

- Alaska
- Florida
- Hawaii
- Nevada
- New Hampshire
- New York (except for certain IR annuity payments)
- South Dakota
- Tennessee
- Texas
- Washington
- Wyoming

## Voluntary State Withholding

Custodians may offer but are not required to withhold on a state withholding election for the following states.

- Alabama
- Arizona
- Colorado
- Idaho
- Illinois
- Kentucky
- Louisiana
- North Dakota
- Ohio
- Pennsylvania
- Rhode Island
- South Carolina
- Virginia
- West Virginia