HORIZON TRUST

CESA Withdrawal Authorization

(888) 205 - 6036 (505) 212 - 0494 operations@horizontrust.com
Horizon Trust Correspondence, PO BOX 27068, Newark NJ 07101

PART 1. COVERDELL OWNER INFORMATION

First Name: | M.I.: | Last Name: | Suffix:

Last 4 of SSN: *(####)* | Date of Birth: *(MM/DD/YYYY)* | Email Address:

Primary Phone: | Type: | Alt Phone: | Type:

PART 2. BENEFICIARY *(If Applicable)*

First Name: | M.I.: | Last Name: | Suffix:

Last 4 of SSN: *(####)* | Date of Birth: *(MM/DD/YYYY)* | Beneficiary Type: *(Select One)*

◯ Spouse ◯ Estate ◯ Other

Primary Phone: | Type: | Alt Phone: | Type:

PART 3. WITHDRAWAL INFORMATION

Total Withdrawal Amount: $ _____ Withdrawal Date: *(MM/DD/YYYY)* _____

Withdrawal Reason *(Select One)*

- ☐ Transfer to another Coverdell ESA
- ☐ Normal Withdrawal
- ☐ Disability
- ☐ Prohibited Transaction
- ☐ Excess Contribution Removed Before the Excess Removal Deadline

  Net Income Attributable to Excess _____
- ☐ Excess Contribution Removed After the Excess Removal Deadline
- ☐ Death Withdrawal by a Beneficiary Taken in the Year of Death
- ☐ Death Withdrawal by a Beneficiary Taken After the Year of Death

PART 4. WITHDRAWAL INSTRUCTIONS

Asset Handling

	Asset Description:	Asset Amount:	Special Instruction:
1.			
2.			
3.			

PART 5. PAYMENT METHOD

☐ **Option 1. Check** *(If the withdrawal reason is a transfer to another CESA, the check must be made payable to the receiving organization.)*

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 6. AGREEMENT & AUTHORIZATION

I certify that I am authorized to receive payments from this CESA and that all information provided by me is true and accurate. No tax advice has been given to me by the trustee or custodian. All decisions regarding this withdrawal are my own, and I expressly assume responsibility for any consequences that may arise from this withdrawal. I agree that the trustee or custodian is not responsible for any consequences that may arise from processing this withdrawal authorization.

Signature of Recipient | Print Name: | Date: *(MM/DD/YYYY)*

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REPORTING INFORMATION APPLICABLE TO COVERDELL ESA WITHDRAWALS

You must supply all requested information for the withdrawal so the trustee or custodian can properly report the withdrawal. If you have any questions regarding a withdrawal, please consult a competent tax professional or refer to IRS Publication 970 Tax Benefits for Education for more information. This publication is available on the IRS website at www.irs.gov or by calling 1-800-TAXFORM.

Withdrawal Reason

Coverdell ESA assets can be withdrawn at any time. All Coverdell ESA withdrawals are reported to the IRS. IRS rules specify the distribution code that must be used to report each withdrawal on IRS Form 1099-Q, Payments from Qualified Education Programs (Under Sections 529 and 530).

Transfer to Another Coverdell ESA: Transfers to another Coverdell ESA are reported on Form 1099-Q using code 1. The distributing Coverdell ESA trustee or custodian is required to provide the receiving Coverdell ESA trustee or custodian with a statement reporting the earnings portion of the distribution within 30 days of the withdrawal or by January 10, whichever is earlier.

Normal Withdrawal: Normal withdrawals are reported on Form 1099-Q using code 1.

Disability: If the designated beneficiary is disabled, withdrawals are reported on Form 1099-Q using code 4.

Prohibited Transaction: Prohibited transactions as defined in Internal Revenue Code Section 4975(c) are reported on Form 1099-Q using code 6.

Excess Contribution Removal: Excess contributions removed before the excess removal deadline must include the net income attributable to the excess.

- If your excess contribution was contributed and removed in the same year, before the excess removal deadline, the withdrawal is reported on Form 1099-Q using code 3.
- If your excess contribution was contributed in one year and removed in the next year, before the excess removal deadline, the withdrawal is reported on Form 1099-Q using code 2

Death Withdrawal by a Beneficiary: Withdrawals by death beneficiaries following the death of the original designated beneficiary are reported on Form 1099-Q using code 5