



Member Request for Refund of Employee Contributions

MSEP 2011 • Judicial Plan 2011

Please print. • Answer **required** question in Section B. • Detailed Instructions included on last page of this form.

SECTION A - MEMBER INFORMATION

Social Security Number or Member ID _____		Date of Birth _____	
Name (last/first/middle) _____			
Primary Phone _____ ☐ Cell ☐ Home ☐ Work		Alternate Phone _____ ☐ Cell ☐ Home ☐ Work	
Mailing Address (PO or street/city/state/zip) _____			
Refund for What Type of Service? ☐ MSEP 2011 ☐ Judicial Plan 2011 (only select if you were a judge)			
☐ I Am Not Married ☐ I Am Married (If married, your spouse must sign this form in the presence of a notary.)			

SECTION B - REQUIRED: LONG-TERM DISABILITY BENEFITS

You are **not** eligible for a refund if you are currently receiving long-term disability benefits from MOSERS.



RESPONSE REQUIRED: Have you applied or do you intend to apply for MOSERS long-term disability benefits?*

☐ Yes ☐ No * MOSERS and Social Security benefits are not the same.

SECTION C - DISTRIBUTION ELECTION

Choose **ONE** option below to indicate how you would like to receive the refund of contributions. A refund of contributions, that is not directly rolled over to a pre-tax qualified plan, is taxable income. For a detailed explanation of the payment options and tax consequences, read the *Special Tax Notice* (attached). We recommend you contact a tax consultant or financial advisor before electing a payment method.

☐ Rollover Option	I elect to directly roll over the entire taxable amount of the refund to the qualified retirement plan designated in Section D. - Federal tax rules may prohibit me from rolling over the ENTIRE refund. If an IRS required minimum distribution is required, MOSERS will automatically calculate and issue that distribution amount to me. MOSERS will mail a paper check to the address provided in Section A. (See instructions for additional details.) - A rollover to any qualified retirement plan requires that an official from that financial institution or employer plan complete and sign the Rollover Agreement in Section D.
☐ Combination Cash & Rollover Option	I elect to directly roll over \$_____ of the refund to the qualified retirement plan designated in Section D, with the remainder paid directly to me in a lump sum. - MOSERS is required to withhold 20% of the taxable portion of my cash distribution for federal income tax (unless the amount is less than \$200). I will be responsible for any state, local, or other taxes that may apply. - If I am younger than 59½, a 10% early distribution tax penalty may apply. - Federal tax rules may prohibit me from rolling over the designated amount. If an IRS required minimum distribution is required, MOSERS will automatically calculate and issue that distribution amount to me. MOSERS will mail a paper check to the address provided in Section A. (See instructions for additional details.) - A rollover to any qualified retirement plan requires that an official from that financial institution or employer plan complete and sign the Rollover Agreement in Section D.
☐ Cash Option	I elect to receive the entire taxable amount of the refund as a cash payment. - MOSERS is required to withhold 20% of the taxable portion of my cash distribution for federal income tax (unless the amount is less than \$200). I will be responsible for any state, local, or other taxes that may apply. - If I am younger than 59½, a 10% early distribution tax penalty may apply. - MOSERS will mail a paper check to the address provided in Section A. (See instructions for additional details.)

➔ Section D and Section E are continued on the back of this page.

Transferee financial institution signature (if applicable) is **REQUIRED** in Section D.
Beneficiary's signature is **REQUIRED** in Section E.

SECTION D - TRANSFeree FINANCIAL INSTITUTION/EMPLOYER PLAN SIGNATURE - ROLLOVER AGREEMENT

If you elect to roll over your refund to any qualified retirement plan you must have an official from your financial institution or employer plan complete and sign the Rollover Agreement in this section.

- | | |
|---|--|
| ☐ MO Deferred Comp Plan | ☐ Eligible Employer Plan - 401(a), 401(k), 403(a), 403(b), 457(b) |
| ☐ Traditional IRA - 408(a), 408(b) | ☐ Roth IRA - 408(a) |

Account Number

Name of Financial Institution/Employer Plan

Mailing Address (PO or street/city/state/zip)

Phone Number

In accordance with the above election of the member in Section C, we agree to deposit into the account listed above the forthcoming rollover amount from MOSERS, a qualified plan under Section 401(a) of the Internal Revenue Code (IRC). The account identified above is a qualified retirement plan for purposes of accepting direct rollovers pursuant to the IRC.

I certify that I am authorized to execute this rollover agreement on behalf of the transferee named in this section.

Official's Printed Name & Title

Official's Signature

Date

SECTION E - APPLICANT SIGNATURE & NOTARIZATION - FORFEITURE OF SERVICE AND FUTURE BENEFITS

- I acknowledge and certify that I read the *Special Tax Notice* and the *Terms of Application* (attached).
- I certify that the transferee plan named above, if any, is a qualified retirement plan that accepts direct rollovers.
- **If married:** I attest that there is not a division of benefits order in process or in place and that my spouse has consented to my election. I am forfeiting future retirement benefits including potential survivor benefits based on that service.
- I acknowledge that anyone who makes a false statement or causes or permits submission of false statements or records to the Missouri State Employees' Retirement System (MOSERS) in an attempt to misrepresent or defraud is subject to punishment or other recourse under the law.
- **I hereby apply to withdraw my contributions from MOSERS. By electing a refund, I understand I am forfeiting credited service and any future rights to receive benefits from MOSERS including eligibility for any retirement and long-term disability benefits, and rights to coverage through Missouri Consolidated Health Care Plan (MCHCP), other than as a dependent or under provisions of COBRA.**

MEMBER must sign in the presence of a notary!

On this _____ day of _____, _____, before me personally
appeared _____, known to me to be the person who executed the foregoing
Member Request for Refund of Contributions and acknowledged to me that he/she executed the foregoing
instrument as his/her free act and deed for the purposes therein stated; and at the time of this acknowledgment
he/she appeared mentally alert and of full mental capacity. In testimony whereof, I subscribed my name and
applied my official stamp on the date and year above written.

NOTARY
SEAL

Member's Social Security Number or Member ID

Signature of Member

Signature of Notary

SPOUSE must sign in the presence of a notary!

On this _____ day of _____, _____, before me personally
appeared _____, known to me to be the person who executed the foregoing
Member Request for Refund of Contributions and acknowledged to me that he/she executed the foregoing
instrument as his/her free act and deed for the purposes therein stated; and at the time of this acknowledgment
he/she appeared mentally alert and of full mental capacity. In testimony whereof, I subscribed my name and
applied my official stamp on the date and year above written.

NOTARY
SEAL

Signature of Spouse (required if married)

Signature of Notary

Instructions for Completing

Member Request for Refund of Contributions

MSEP 2011 • Judicial Plan 2011

Use this form to request a refund of employee contributions made to MOSERS.

1. Carefully read the entire form, the *Terms of Refund Request* below, and the *Special Tax Notice* included with these instructions.

TERMS OF REFUND REQUEST

- As an inactive vested member or nonvested member, you may request a refund of your contributions and credited interest. If you return to MOSERS-covered employment before the expiration of the 90-day waiting period, your refund request will be canceled.
- If you are married at the time of such request, such request shall not be processed without consent from your spouse. You are not eligible to request a refund if your retirement benefit is subject to a division of benefits order pursuant to section 104.1051.
- Missouri law requires MOSERS to pay your refund within an administratively reasonable period but **no sooner than 90 days** from the date your state employment ended.
- **By receiving a refund, you forfeit all your credited service and future rights to receive pension benefits from MOSERS. Additionally, you will no longer be eligible to receive MOSERS long-term disability benefits. If you are currently receiving MOSERS long-term disability benefits you are not eligible for a refund.**
- If you later become an employee and work continuously for at least one year and return the previously refunded amount plus interest at a rate established by the MOSERS board, the credited service previously forfeited will be restored.
- Any refund not directly rolled over to a pre-tax qualified retirement plan will be reported as taxable income in the year of payment.
- MOSERS is not liable for any taxes incurred by you as a result of this distribution.
- If you die after submitting this application but before receiving the distribution, no distribution will be made if you have a surviving spouse or a child who is eligible for a survivor benefit based on your death. Otherwise, payment will be made to the beneficiary designated on your *Contribution Beneficiary* form. If no designated beneficiary is living, payment will be made as otherwise permitted by law.
- The refund of contributions becomes irrevocable once MOSERS mails or electronically transfers payment.

2. Complete Section A.

3. Complete Section B. It is **REQUIRED** that you answer the question as to whether or not you have applied or intend to apply for **MOSERS long-term disability benefits. MOSERS and Social Security benefits are not the same.**

4. Choose ONE option in Section C indicating how you want to receive your refund of contributions.

Please note: federal tax rules prohibit rolling over the ENTIRE lump-sum balance if you 1) turned age 72 on or before December 31, 2022, or 2) are age 73 or older. If the cash portion of your distribution is less than the IRS minimum, MOSERS will automatically calculate and issue the IRS "required minimum distribution" of cash directly to you, regardless of your distribution election.

- **Rollover Option** – If you elect a rollover option, payment will be made directly to the qualified retirement plan designated in Section C.
 - Your payment will not be taxed in the year of the rollover and no income tax will be withheld unless it is a rollover to a Roth IRA. A rollover to a Roth IRA is taxable in the year the rollover takes place. Otherwise, the payment will be taxed when you take it out of the traditional IRA or other qualified retirement plan.
- **Combination Cash & Rollover Option** – If you elect the combination cash and rollover option, you may specify the amount of the distribution to be paid to the qualified retirement plan designated in Section C. The remainder will be paid to you in a lump sum.
 - Refunded contributions are considered taxable income for the year in which you receive the payment. MOSERS is required to withhold 20% of the taxable portion of a cash refund for federal income tax.
 - You will be responsible for any state, local, or other taxes that may apply.
- **Cash Option** – If you elect the cash option, the refund will be paid directly to you.
 - Refunded contributions are considered taxable income for the year in which you receive the payment. MOSERS is required to withhold 20% of the taxable portion of a cash refund for federal income tax.

5. A rollover to any qualified retirement plan requires that an official from that financial institution/employer plan complete and sign the Rollover Agreement in Section D.

6. Sign Section E in the presence of a notary. If you are married, your spouse must also sign in the presence of a notary.

- **Each signature must be notarized.**
 - If both spouses sign in the presence of the same notary, that notary must notarize both signatures (complete both notarization spaces). If spouses do not appear before the same notary at the same time, signatures may be notarized separately, but must be on the same form.

7. Submit the completed, signed, notarized form to MOSERS by mail or fax. Alternatively, you may log in to **myMOSERS** and upload your completed form online.

8. Your refund will not be processed until this form is completed and returned to MOSERS.

TAXES AND YOUR ROLLOVER DISTRIBUTION

What can I do with an amount that is eligible for rollover?

When an amount payable (that is, an amount you are eligible to take as a payment from MOSERS) is eligible for rollover, you generally may choose some combination of the following:

- Leave it in the Plan, that is, do not take the payment;
- Roll it over into another employer plan, such as MO Deferred Comp;
- Roll it over into an IRA (an individual retirement account or individual retirement annuity); or
- Take it, don't roll it over, and pay any required taxes.

Whether these options are available to you depends on your circumstances and the terms of the plan. For example, you may be required to take a payment (and not roll it over) based on your age.

How can a payment affect my taxes?

If you don't do a rollover, you will be taxed on a lump-sum payment from MOSERS, and if you are under age 59½, you will also have to pay a 10% additional tax (unless an exception applies).

How can a rollover affect my taxes?

If you do a rollover to a qualified plan, you won't have to pay tax until you receive payments later. If you roll over pretax dollars to a non-qualified plan, such as a Roth IRA, the distribution will be subject to taxes.

What types of retirement accounts and plans may accept my rollover?

You may roll over the payment to either an IRA or an employer plan (a tax-qualified plan (such as a section 401(k) plan), a section 403(b) plan, or a governmental section 457(b) plan) that will accept the rollover. The rules of the IRA or employer plan that receives the rollover will determine your investment options, fees, and rights to payment from the IRA or employer plan (for example, IRAs aren't subject to spousal consent rules, and IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the IRA or employer plan. For additional information on IRAs, see IRS Publication 590-A, *Contributions to Individual Retirement Arrangements* (IRAs), and IRS Publication 590-B, *Distributions from Individual Retirement Arrangements* (IRAs). MOSERS operates as a tax-qualified plan under section 401(a) of the Internal Revenue Code (IRC). For additional information on the tax treatment of distributions from pension and annuity plans, see IRS Publication 575 (*Pension and Annuity Income*).

MO Deferred Comp

You have the option to roll over your lump-sum distribution into MO Deferred Comp. Taxes on the balance can be deferred until you start withdrawing money, at which time you will be taxed only on the amount withdrawn. See the *Special Tax Notice Regarding Plan Payments* on the MO Deferred Comp website (www.modeferredcomp.org) for additional details.

How do I do a rollover?

There are two ways to roll over your lump-sum payment from MOSERS. You can do either a direct rollover or a 60-day rollover.

- **If you do a direct rollover**, MOSERS will make the lump-sum payment directly to your MO Deferred Comp account, IRA, or other employer plan. If you elect to roll over your distribution, you must have an official from your financial institution or employer plan complete and sign the Rollover Agreement on the form supplied by MOSERS. Check with your accepting plan, as they may have additional requirements.

- **If you do a 60-day rollover**, you will receive a payment from MOSERS and then make a deposit into an IRA or eligible employer plan that will accept it. Generally, you will have 60 days after you receive the payment to make the deposit. If you don't do a direct rollover, MOSERS is required to withhold 20% of the payment for federal income taxes (up to the amount of cash and property received other than employer stock). This means that, in order to roll over the entire payment in a 60-day rollover, you must use other funds to make up for the amount withheld. If you don't roll over the entire amount of the payment, the portion not rolled over will be taxed and will be subject to the 10% additional tax on early distributions if you are under age 59½ (unless an exception applies).

How much may I roll over?

You may roll over all or part of the amount eligible for rollover. Any payment from MOSERS that isn't a series of payments spread over a period of at least 10 years, or over your life expectancy, is eligible for rollover, unless a required minimum distribution applies. Required minimum distributions (RMDs) are minimum amounts that IRA and retirement plan account owners generally must withdraw annually starting with the year they reach age 73. If an RMD must be paid to you, MOSERS can tell you what portion is eligible to roll over.

If I don't do a rollover, will I have to pay the 10% additional tax on distributions before age 59½?

If you are under age 59½, you will have to pay the 10% additional tax on early distributions for any payment from MOSERS (including amounts withheld for income tax) that you don't roll over, unless one of the exceptions listed below applies. This tax applies to the part of the distribution that you must include in income and is in addition to the regular income tax on the payment not rolled over. Exceptions include:

- Payments made after you separate from service if you are at least age 55 in the year of the separation;
- Payments that start after you separate from service if paid at least annually in substantially equal amounts over your life or life expectancy (or the joint lives or joint life expectancies of you and your beneficiary);
- Payments from a governmental plan made after you separate from service as a qualified public safety employee and, in the year of separation, have reached age 50 or 25 years of service at a MOSERS-covered employer (*A qualified public safety employee is any uniformed state employee who provides police protection, firefighting services, or emergency medical services for any area within the jurisdiction of Missouri (effective 8/17/06). Public safety also includes employees providing services as a corrections officer or as a forensic security employee providing for the care, custody, and control of forensic patients within the jurisdiction of Missouri (effective 12/29/2022);*);
- Payments made because you retire due to disability;
- Payments after your death;
- Corrective distributions of contributions that exceed tax law limitations;
- Payments made directly to the government to satisfy a federal tax levy;
- Payments to a victim of domestic abuse from a defined contribution plan that isn't subject to the qualified joint survivor annuity or qualified preretirement survivor annuity rules (domestic abuse victim distributions);
- Payments after you receive a certification from a physician that you have a terminal illness (terminal illness distributions);

- Payments that are qualified disaster recovery distributions;
- Payments up to the amount of your deductible medical expenses (without regard to whether you itemize deductions for the taxable year);
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001, for more than 179 days; and
- Payments that are paid to an alternate payee under a division of benefits order (DBO).

For more information about the 10% additional tax and the exceptions to it, see IRS Publication 575, *Pension and Annuity Income, under the heading Tax on Early Distributions*. For information on how to claim an exception, see the Instructions for IRS Form 5329, *Additional Taxes on Qualified Plans (Including IRAs) and Other Tax-Favored Accounts*.

If I do a rollover to an IRA, will the 10% additional tax apply to a later distribution from the IRA before age 59½?

If you receive a payment from an IRA when you are under age 59½, you will have to pay the 10% additional tax on early distributions on the part of the payment that you must include in income, unless an exception applies. In general, the exceptions to the 10% additional tax for early distributions from an IRA are the same as the exceptions listed above for early distributions from MOSERS. However, there are a few differences for payments from an IRA, including:

- The exception for payments made from MOSERS after you separate from service if you are at least age 55 in the year of the separation (or the earlier of age 50 or attainment of 25 years of service at a plan for qualified public safety employees) does not apply to payments from an IRA;
- The exception for qualified domestic relations orders (QDROs) does not apply to an IRA (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse); and
- The exception for payments made at least annually in equal or close to equal amounts over a specified period from a plan also applies without regard to whether you have had a separation from service.

Also, there are exceptions to the 10% additional tax that do not apply to payments from a plan but that do apply to payments from an IRA, including:

- Payments for qualified higher education expenses;
- Payments up to \$10,000 used in a qualified first-time home purchase; and
- Payments for health insurance premiums after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

For more general information about the 10% additional tax and the exceptions to the 10% additional tax on payments from an IRA, see the Instructions for IRS Form 5329, *Additional Taxes on Qualified Plans (Including IRAs) and Other Tax-Favored Accounts*. See also, IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*, under the heading *Early Distributions*.

Will I owe state income taxes?

This notice doesn't address any state or local income tax rules (including withholding rules).

SPECIAL RULES AND OPTIONS

If your payment includes after-tax contributions

After-tax contributions included in a payment are not taxed. Special rules apply when you do a rollover, as described below.

You may roll over to an IRA a payment that includes after-tax contributions through either a direct rollover or a 60-day rollover. You must keep track of the aggregate amount of the after-tax contributions in all of your IRAs (in order to determine your taxable income for later payments from the IRAs). If you do a direct rollover of only a portion of the amount paid from MOSERS, and at the same time, the rest is paid to you, the portion rolled over consists first of the amount that would be taxable if not rolled over. For example, assume you are receiving a payment of \$12,000, of which \$2,000 is after-tax contributions. In this case, if you directly roll over \$10,000 to an IRA that isn't a Roth IRA, no amount is taxable because the \$2,000 amount not rolled over is treated as being after-tax contributions.

Similarly, if you do a 60-day rollover to an IRA of only a portion of a payment made to you, the portion rolled over consists first of the amount that would be taxable if not rolled over. For example, assume you are receiving a payment of \$12,000, of which \$2,000 is after-tax contributions, and no part of the payment is directly rolled over. In this case, if you roll over \$10,000 to an IRA that isn't a Roth IRA in a 60-day rollover, no amount is taxable because the \$2,000 amount not rolled over is treated as being after-tax contributions.

You may roll over to an employer plan all of a payment that includes after-tax contributions, but only through a direct rollover (and only if the receiving plan separately accounts for after-tax contributions and isn't a governmental section 457(b) plan). You can do a 60-day rollover to an employer plan of part of a payment that includes after-tax contributions, but only up to the amount of the payment that would be taxable if not rolled over.

If you miss the 60-Day rollover deadline

Generally, the 60-day rollover deadline can't be extended. However, the IRS has the authority to waive the deadline under certain extraordinary circumstances, such as when external events prevented you from completing the rollover by the 60-day rollover deadline. Under certain circumstances, you may claim eligibility for a waiver of the 60-day rollover deadline by making a written self-certification. Otherwise, to apply for a waiver from the IRS, you must file a private letter ruling request with the IRS. Private letter ruling requests require the payment of a nonrefundable user fee. For more information, see IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*, under the heading *Rollovers*.

If you are an eligible retired public safety officer and your payment is used to pay for health coverage or qualified long-term care insurance

If you retired as a public safety officer, and your retirement was by reason of disability or was after normal retirement age, you can exclude from your taxable income, not to exceed \$3,000, the amounts that were received by you from MOSERS and used to pay premiums to an accident or health plan (or a qualified long-term care insurance contract) that your employer maintains for you, your spouse, or your dependents. For this purpose, a public safety officer is a law enforcement officer, firefighter, chaplain, or member of a rescue squad or ambulance crew.

If you roll over your payment to a SIMPLE IRA

You can only roll over a payment from MOSERS to a SIMPLE IRA plan after the end of the 2-year period beginning on the date you first participated in the SIMPLE IRA plan.

If you roll over your payment to a Roth IRA

If you roll over the payment to a Roth IRA (which, for purposes of this explanation, includes a Roth SIMPLE IRA), a special rule applies under which the amount of the payment rolled over, reduced by any after-tax amounts, will be taxed. In general, the 10% additional tax on early distributions won't apply. However, if you take the amount rolled over out of the Roth IRA within the 5-year period that begins on January 1 of the year of the rollover, the 10% additional tax will apply on the amount includible in gross income (unless an exception applies).

If you roll over the payment to a Roth IRA, you won't have to take required minimum distributions from the Roth IRA during your lifetime. Later payments from the Roth IRA that are qualified distributions will not be taxed, including earnings after the rollover. A qualified distribution from a Roth IRA is a payment made after you are age 59½ (or after your death or disability, or as a qualified first-time homebuyer distribution of up to \$10,000) and after you have had a Roth IRA for at least 5 years. In applying this 5-year rule, you count from January 1 of the year for which your first contribution was made to a Roth IRA. Payments from the Roth IRA that are not qualified distributions will be taxed to the extent of earnings after the rollover, including the 10% additional tax on early distributions (unless an exception applies). For more information, see IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*, and IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*.

You cannot roll over a payment from MOSERS to a designated Roth account in an employer plan.

Payments After Death of Member

If you receive a distribution after the member's death that you do not roll over, the distribution will generally be taxed in the same manner described elsewhere in this notice. However, the 10% additional tax on early distributions and the special rules for public safety officers do not apply, and the special rule described under the section, ***Born on or Before January 1, 1936***, applies only if the deceased member was born on or before January 1, 1936.

If you are a surviving spouse

If you receive a payment from MOSERS as the surviving spouse of a deceased member, you have the same rollover options that the member would have had, as described elsewhere in this notice. In addition, if you choose to do a rollover to an IRA, you may treat the IRA as your own or as an inherited IRA.

An IRA you treat as your own is treated like any other IRA of yours, so that payments made to you before you are age 59½ will be subject to the 10% additional tax on early distributions (unless an exception applies) and required minimum distributions from your IRA will be based on your age.

If you treat the IRA as an inherited IRA, payments from the IRA will not be subject to the 10% additional tax on early distributions. However, if the deceased member had started taking required minimum distributions (RMDs) from MOSERS, RMDs must continue to be made from the inherited IRA. If the deceased member had not started taking RMDs from MOSERS, distributions from the inherited IRA must begin when the deceased member would have been required to begin RMDs.

If you are a surviving beneficiary other than a spouse

If you receive a payment, such as a refund of member contributions, from MOSERS because of the member's death and you are a designated beneficiary other than a surviving spouse, the only rollover option you have is a direct rollover to an inherited IRA. Payments from the inherited IRA will not be subject to the 10% additional tax on early distributions. You will have to take RMDs from the inherited IRA. Please complete, sign, and notarize a *Beneficiary Request for Refund of Employee Contributions* form and submit it to MOSERS.

For more information, see IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*, and IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*.

Payments under a Division of Benefits Order (DBO)

If you are the spouse or former spouse of the member who receives a payment from MOSERS under a DBO, you generally have the same options and the same tax treatment that the member would have (for example, you may roll over the payment to your own IRA or an eligible employer plan that will accept it). However, payments under the DBO will not be subject to the 10% additional tax on early distributions. For more information, see IRS Publication 504, *Divorced or Separated Individuals*.

If you are a nonresident alien

If you are a nonresident alien and you do not do a direct rollover to a U.S. IRA or U.S. employer plan, instead of withholding 20%, MOSERS is generally required to withhold 30% of the payment for federal income taxes. If the amount withheld exceeds the amount of tax you owe (as may happen if you do a 60-day rollover), you may request an income tax refund by filing Form 1040NR, *U.S. Nonresident Alien Income Tax Return*, and attaching your Form 1042-S, *Foreign Person's U.S. Source Income Subject to Withholding*. See IRS Form W-8BEN, *Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)*, for claiming that you are entitled to a reduced rate of withholding under an income tax treaty. For more information, see also IRS Publication 519, *U.S. Tax Guide for Aliens*, and IRS Publication 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*.

Born on or Before January 1, 1936

If you were born on or before January 1, 1936, and receive a lump-sum distribution that you do not roll over, special rules for calculating the amount of the tax on the payment might apply to you. For more information, see IRS Publication 575, *Pension and Annuity Income*.

Other Special Rules

If your payments for the year are less than \$200, MOSERS is not required to allow you to do a direct rollover and is not required to withhold federal income taxes. However, you may do a 60-day rollover.

You may have special rollover rights if you recently served in the U.S. Armed Forces. For more information on special rollover rights related to the U.S. Armed Forces, see IRS Publication 3, *Armed Forces' Tax Guide*. You also may have special rollover rights if you were affected by a federally declared disaster (or similar event), or if you received a distribution on account of a disaster. For more information on special rollover rights related to disaster relief, see the IRS website at www.irs.gov.

FOR MORE INFORMATION

This notice summarizes only the federal (not state or local) tax rules that might apply to your payment. The rules are complex and contain many conditions and exceptions that are not included in this notice.

You may wish to consult with a MOSERS benefit counselor, a professional tax advisor, or your state/local taxing authority before taking a payment from MOSERS. Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, *Pension and Annuity Income*; IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*; IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*; and IRS Publication 571, *Tax-Sheltered Annuity Plans (403(b) Plans)*. These publications are available from a local IRS office, on the web at www.irs.gov, or by calling 1-800-TAX-FORM.