

# Request an IRA Distribution

Schwab.com 1-800-435-4000 (inside the U.S.) +1-415-667-8400 (outside the U.S.) 1-888-686-6916 (multilingual services)

- Use this form to request a new distribution from or change an existing distribution instruction for your Schwab IRA account.
- If you are an IRA beneficiary and are requesting either a transfer from the decedent's IRA to your Inherited IRA or a lump-sum distribution, please use the Inherited IRA Account Application instead of this form.
- If you are making an in-kind transfer (e.g., from a Traditional IRA at Schwab to a Traditional IRA at another financial institution), you must initiate the transfer by contacting the Other Financial Institution.
- If you are not yet age 59½, an early withdrawal penalty may apply. See Section 6 for an explanation of the early withdrawal penalty and other important disclosures. Please consult the IRS and/or your tax advisor for more information.
- If you are a non-resident alien, a 30% tax withholding rate will apply unless you reside in a country with a lower tax treaty rate and submit a valid IRS Form W-8BEN. Contact us to find out if a lower tax treaty rate applies.
- If you need to sell securities to complete a cash distribution, please do so before submitting this distribution form. You may place your trades at a discounted commission rate on Schwab.com, or call us at 1-800-435-4000 to place your trades with a broker. If your IRA is enrolled in a managed product, contact your service provider for the appropriate form.

For current-year distributions, Schwab must receive your form by December 1 to ensure year-end completion.

## 1. Tell Us About Your Schwab Account

We respect your privacy. Schwab will use the information you provide to process your request. Read about Schwab's privacy policy at [schwab.com/privacy](https://schwab.com/privacy).

Account Number

Account Holder Name Title, First Middle Last Suffix

Social Security Number Your Daytime Phone Number Extension

## 2. Tell Us About Your Request

Please select one of the following options.

- ☐ This is a new distribution request.
- ☐ This is a change to my existing distribution request for the recurring amount of \$ \_\_\_\_\_
- ☐ This is a conversion to a Roth IRA.
- ☐ This is a request for a direct rollover to an employer plan.

If you would like to roll over your Traditional IRA distribution to an employer plan, please provide the employer plan's information.

Employer Plan Name (or Employer Plan Account at Schwab, if applicable)

### Type of Plan

Please select one of the following options.

- ☐ 401(k)/Profit-Sharing Plan
- ☐ Money Purchase Plan
- ☐ Thrift Savings Plan
- ☐ 403(b) Plan

### 3. Withhold Taxes from Your Distribution

Distributions treated as nonperiodic payments from your IRA (excluding those from Roth IRAs) are generally subject to federal (and possibly state) income tax. Even if you elect in writing not to have federal and/or state income tax withheld when permitted, you are liable for payment of federal and state income taxes on the taxable portion of your distribution. You may elect not to have federal income tax withholding apply to your distribution by entering 0% on the line of Section A. Federal Income Tax Withholding below, and signing and dating this form. If you elect not to have withholding apply to your distribution, or if you do not have enough tax withheld, you may be responsible for payment of estimated taxes. You may also incur penalties under the estimated tax rules if your withholding and estimated tax payments are not sufficient. For more information, see IRS Publication 590-B.

Your tax withholding election will remain in effect on all distributions from this IRA until you change or revoke it. You may change or revoke your tax withholding election at any time by submitting your request to Schwab. The federal or combined federal and state withholding tax rate of 100% will not be retained for future distributions. To process a distribution with a federal or combined federal and state withholding tax rate of 100%, please request a one-time check.

**Note:**

- Distributions from an IRA that are payable on demand are treated as nonperiodic payments.
- Nonresident aliens are subject to a 30% tax withholding rate and must submit a valid IRS Form W-8BEN to obtain an available reduced tax treaty rate.
- Generally, Roth IRA distributions are not taxable. Unless you have an existing election on file or elect to withhold on this form, we will not withhold taxes from your Roth IRA distribution.

**A. Federal Income Tax Withholding:** 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% below. Generally, you can't choose less than 10% for payments to be delivered outside the United States and its possessions.

Complete the line below if you would like a rate of withholding that is different from the default withholding rate. See the Marginal Rate Tables on page 1 and the General Instructions on page 2 of the attached IRS Form W-4R. You may use these tables to help you select the appropriate withholding rate for this payment or distribution. Instructions on how to best use them are included.

Enter the rate as a whole number (no decimals). \_\_\_\_\_ %

**Note: The attached IRS Form W-4R is for information only. You are not required to complete the IRS Form W-4R.**

**B. State Income Tax Withholding:** State income tax withholding from your distribution may be required. In some cases, you may elect not to have withholding apply, or you may elect to increase the rate of withholding. In other cases, state income tax withholding may not be available. Refer to the State Income Tax Withholding Information sheet for specific information concerning your state's withholding rates.

While Schwab makes every effort to obtain information about state tax laws from sources believed to be reliable, Schwab cannot guarantee the accuracy or timeliness of state tax withholding information because state tax laws are subject to constant change and interpretation. We recommend that you contact your tax advisor regarding your tax withholding elections and to answer any questions that you may have.

**If you do not make an election, Schwab will apply withholding (if required) at the minimum rate based on the laws for your state of residency as determined by the legal address of record on your account.**

Choose one:

- ☐ I do not want state income tax withheld.
- ☐ I want state income tax withheld at the rate of \_\_\_\_\_ % (State tax withholding must be at least your state's minimum tax rate and not more than 100% when combined with federal income tax withholding.)

**Note:** If you move between states with different withholding laws, Schwab will apply withholding (if required) at the rate you have provided above or at the minimum rate based on the laws for your new state of residency, whichever is greater.

### 4. Tell Us the Amount and Frequency of Your Distribution

It is important that you ensure that there is sufficient cash available in your account by the date of distribution. If you want a cash distribution from positions other than your available sweep cash balance, you may place a trade on Schwab.com at a discounted commission rate or call us at 1-800-435-4000 to place a trade with a broker. Please do so prior to submitting this form. If your IRA is enrolled in a managed product, contact your service provider for the appropriate form.

**For choices A–E, choose only one option and then continue to Section 5.****A. One-Time Cash Distribution**

☐ **Distribute my entire cash balance.**

☐ **Distribute \$ \_\_\_\_\_** from my cash balance:

If you elected to have taxes withheld, tell us if the distribution amount is a gross or net amount. If no selection is made, gross is the default selection.

☐ **Before taxes are removed** (*gross distribution*)

☐ **After taxes are removed** (*net distribution*)

**B. One-Time Securities Distribution**

If applicable, list all securities to be distributed and transferred to your non-retirement Schwab One® account. (Additional securities should be listed on a separate sheet of paper.)

**Distribute and transfer specific shares of the securities listed below to my non-retirement Schwab One account or my Schwab Roth IRA as indicated in Section 5.\***

**Make sure to designate either shares or dollar value.**

<b>1. Name of Security</b>		<b>2. Name of Security</b>	
	<b># of Shares</b>		<b># of Shares</b>
	<b>or \$ Amount</b>		<b>or \$ Amount</b>
<b>3. Name of Security</b>		<b>4. Name of Security</b>	
	<b># of Shares</b>		<b># of Shares</b>
	<b>or \$ Amount</b>		<b>or \$ Amount</b>
<b>5. Name of Security</b>		<b>6. Name of Security</b>	
	<b># of Shares</b>		<b># of Shares</b>
	<b>or \$ Amount</b>		<b>or \$ Amount</b>

**NOTE:** The value of the distribution (including securities) will be determined using the most recent market price received by Schwab when this form is processed.

\*Some securities cannot be delivered. Please call 1-800-435-4000 for additional information.

**C. Recurring Cash Distribution**

☐ **Distribute \$ \_\_\_\_\_** from my cash balance:

If you elected to have taxes withheld, tell us if the distribution amount is a gross or net amount. If no selection is made, gross is the default selection.

☐ **Before taxes are removed** (*gross distribution*)

☐ **After taxes are removed** (*net distribution*)

Beginning \_\_\_\_\_, distribute the cash amount above and continue until I instruct otherwise.

**Date** (*mm/dd/yyyy*)

**NOTE:** Please ensure that there is sufficient cash available in your account by the date of your scheduled distribution.

**Frequency**

- ☐ **Weekly\*** \_\_\_\_\_
- ☐ **Two times monthly\*** \_\_\_\_\_ and \_\_\_\_\_  
mm/dd mm/dd
- ☐ **Monthly on\*** \_\_\_\_\_  
dd
- ☐ **Last business day of each month\***
- ☐ **Every two months**
- ☐ **Quarterly**
- ☐ **Two times annually**
- ☐ **Annually**

\*These options are only available with Schwab MoneyLink®.

**D. Recurring Income Distribution**

Recurring income distribution options are only available with electronic funds transfers.

Select as many payment options as you'd like. Your selections will be consolidated into a single payment.

- ☐ **Dividends** (includes capital gains distribution)
- ☐ **Interest** (includes fixed income and CD interest)
- ☐ **Money Market** (includes Schwab One® Interest and Schwab Bank Interest)

**Frequency and Start Date**

If frequency and start date are not provided, your account will be set up to begin paying income on the last business day of the month.

- ☐ **As accrued.** Your account will be debited on the first business day after the day on which income is credited to your account. Generally, your outside bank account will be credited one business day after the debit occurs (available only for transfers to Schwab Bank or Other Financial Institutions). **NOTE:** You must complete the Schwab MoneyLink enrollment instructions in Section 5D.
- ☐ **Last business day of the month.** Income is aggregated on the last business day of each month, and your account is debited on the first business day of the next month (excluding December). Generally, your outside bank account will be credited one business day after the debit occurs. **NOTE:** You must complete the Schwab MoneyLink enrollment instructions in Section 5D.

Please enter your preferred start date.

\_\_\_\_\_  
**Preferred Start Date** (mm/dd/yyyy)

**E. Lump-Sum Distribution**

**NOTE:** The value of the distribution (including securities) will be determined using the most recent market price received by Schwab when this form is processed.

- ☐ **Distribute all of my cash and securities in kind from my Schwab IRA to my Schwab Brokerage Account as listed in Section 5A below.**  
(If you would like to receive security certificates, please contact us at 1-800-435-4000, as fees may apply.)

**What should we do with your account?**

**Important: Unless you check this box, your account will remain open.**

- ☐ **Close my account**

**5. Tell Us Where to Send Your Distribution**

**Distributions paid to third parties.** If this distribution is paid directly to a third party, you acknowledge and agree that you, as the authorized person, are solely responsible for any adverse tax consequences, and you agree to indemnify and hold harmless Schwab from and against all losses, costs, liabilities and expenses that may arise as a result of Schwab following the directions you provide on this form.

**Custodial accounts.** If this is a custodial IRA, you acknowledge and agree that any funds or securities transferred out of the account, and into the account of the custodian or the other account, shall be used or applied solely for the benefit of the minor.

**For choices A–D, choose only one option and then continue to Section 6.****A. To a Schwab Brokerage Account**

☐ Transfer my distribution assets to my Schwab account.

\_\_\_\_\_  
Account Number

**B. Mail My Distribution**

Please select one of the following options.

☐ Payable to the account registration and mail to the address listed on my Schwab IRA.

☐ Payable to the account registration and mail to the following address:

\_\_\_\_\_  
Home/Legal Street Address

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip Code

\_\_\_\_\_  
**Memo** (optional, 24-character limit)

If you would like to make a charitable donation, enter the name of the charity and select "Mail to my home address." You will be responsible for sending the check to the charity and obtaining a receipt for your tax records. If this is for your Required Minimum Distribution, talk to your tax advisor to see if your distribution meets the requirements of a Qualified Charitable Distribution (QCD).

☐ Payable to a third party.

\_\_\_\_\_  
Payee Name Title, First

\_\_\_\_\_  
Middle Name

\_\_\_\_\_  
Last Name

\_\_\_\_\_  
Suffix

☐ Mail to my home address

☐ Mail to the following address (not available for QCDs):

\_\_\_\_\_  
Home/Legal Street Address

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip Code

\_\_\_\_\_  
**Memo** (optional, 24-character limit)

☐ Use overnight delivery. Fees may apply. Call 1-800-435-4000 for details.

**C. Wire Funds. This section is for domestic wire transfers only. For foreign wires please attach the Verify Your Request for a Foreign Wire Transfer form.**

To give us time to process your request for a wire, we must receive your request prior to 2:30 p.m. ET on the date of the proposed wire. Fax your wire request to 1-877-553-7692.

Outgoing wire transfers are only available as a one-time distribution and not for recurring distributions. Fees may apply. Call 1-800-435-4000 for details.

☐ Standing instructions. (Optional. Allows you to conveniently place future wire requests by telephone.)

**Wire type** (select one): ☐ Domestic ☐ Foreign (wiring **U.S. dollars** outside the United States)

**Receiving Bank Information** (Initial Recipient)

Provide information below for the bank that will receive the funds. If the receiving bank uses an intermediary bank to process the transfer, also complete the Intermediary section. If an additional recipient will ultimately receive the funds, please also complete the "For Further Credit" section.

\_\_\_\_\_  
Receiving Bank ABA/SWIFT/BIC

\_\_\_\_\_  
Receiving Bank Name

\_\_\_\_\_  
Account #/IBAN at Receiving Bank

\_\_\_\_\_  
Name(s) as it appears on the Account at the Receiving Bank (i.e. individual, trust, brokerage firm name)

\_\_\_\_\_  
Address on Receiving Bank Account (Required if above recipient is different from Schwab account registration)

Street Number	Street Name	Suite/Apt/Rm #
City/Town	State/Province/Region	Zip/Postal Code
Country		

**Intermediary/Correspondent Bank** (If applicable, if the receiving bank uses an intermediary bank)

Intermediary Bank ABA/SWIFT/BIC	Intermediary Bank Name	Account Number (if applicable)
---------------------------------	------------------------	--------------------------------

**For Further Credit** (If applicable, for the Final Recipient)

Enter information below instructing the initial recipient listed above to further direct funds to the final recipient or account listed below.

Name of Final Recipient(s) (required; i.e: individual, trust, entity name)	Further Credit Account #/IBAN (required; i.e escrow/plan account #)
--	---

**For Further Credit Address** (required for further credit and if Final Recipient is different from Schwab account registration. **Note: The Address of Final Recipient cannot be the address of the bank.**)

Street Number	Street Name	Suite/Apt/Rm #
City/Town	State/Province/Region	Zip/Postal Code
Country		

#### D. Transfer Funds to Another Bank Account Through Electronic Funds Transfer or Schwab MoneyLink®

This option is not available for one-time distributions from IRA accounts enrolled in Schwab Managed Account Services™ [MAS] or Schwab Managed Portfolios™ [SMP].

If you already have Schwab MoneyLink set up on this IRA, please enter the bank name and account number.

☐ **Existing bank account**

Bank Name	Account Number
-----------	----------------

If you would like to set up Schwab MoneyLink, please enter information for the new bank account.

**NOTE:** Schwab MoneyLink transfers are limited to a maximum of \$100,000 per transaction.

☐ **New bank account information.** (You must be an owner of the account at the Other Financial Institution.) By enrolling in Schwab MoneyLink (the "MoneyLink Service"), you are establishing a standing authorization to request electronic funds transfers from your Schwab IRA to an account at another U.S. financial institution specified below. (You may not transfer funds to financial institutions outside the territorial jurisdiction of the U.S.)

☐ **Implement new instructions.**

☐ **Terminate existing instructions for:**

Bank Name	Account Number
-----------	----------------

#### Schwab Bank or Other Financial Institution Information

Your Other Financial Institution must be a U.S. financial institution and an Automated Clearing House (ACH) member. You may not transfer funds to financial institutions outside the territorial jurisdiction of the U.S. Enter the information requested below for the account where you want your distribution payments electronically transferred.

ABA Transit Routing Number: \_\_\_\_\_ Account Number: \_\_\_\_\_

Type of Account (Select one.): ☐ Personal Checking Account ☐ Corporate/Organization Checking Account\*  
☐ Personal Savings Account ☐ Corporate/Organization Savings Account\*

\*Corporate/Organization accounts may have additional requirements.

Attaching a canceled or voided preprinted check is required for processing.

Name must be  
preprinted and  
unaltered.

Dana Jones  
123 Main Street  
Anytown, NY 12345

20\_\_ 803

Pay to the order of **REQUIRED** \$

**Tape your voided check here.** Dollars

**(Use a preprinted deposit slip for savings accounts.)**

**National Bank  
Delaware**

⑆321070010⑆ 803123456789 ⑈

ABA Transit Routing Number Account Number

**VOID**

**Alternative acceptable documentation for accounts without checks:**

- A preprinted deposit slip that includes the account title, account number, account type and ABA Transit Routing Number; or
- A letter from your Other Financial Institution, on its letterhead and signed by an officer, that includes the account title, account number, account type and ABA Transit Routing Number, as well as the authorized signers on the account.

## 6. Important Information About Your Distribution

### Distribution of Assets

You may take a distribution of assets—funds or securities—from a Traditional, Rollover, Roth, Inherited, SEP or SIMPLE IRA at any time.

### Taxation of IRAs

In general, qualified distributions from a Roth IRA (including contributions and investment earnings) and distributions of the nondeductible contributions to a Traditional/Rollover IRA and Roth IRA are free from federal income tax. All other IRA distributions, including deductible contributions and investment earnings, are subject to federal (and possibly state) income tax at ordinary income tax rates.

### Rollover Exception

If you take a distribution from your IRA, you have 60 days from the date of the withdrawal to roll the assets back into an IRA (at Schwab or elsewhere) to avoid taxes and penalties on the amount distributed. The rollover must be made into the same kind of IRA (e.g., a distribution from a Roth IRA may be rolled over only into another Roth IRA, not a Traditional IRA). You may do this only once in a rolling 12-month period. Rollovers are not allowed with Inherited IRAs; therefore, the 60-day rollover rule does not apply.

### Early Withdrawal Penalty

If you are not yet age 59½, a 10% early withdrawal penalty applies to the taxable portion of distributions from the Traditional/Rollover IRA, Roth IRA, SEP-/SARSEP-IRA or SIMPLE IRA unless the distribution qualifies for an exception to the penalty. In the case of a SIMPLE IRA, the early withdrawal penalty increases from 10% to 25% for a distribution made within the first two years after the account is established.

### Exceptions to the Early Withdrawal Penalty

The 10% penalty described above may not apply if the distribution is: (1) used for qualified higher education expenses, qualified home purchase expenses, certain medical expenses, or certain health insurance expenses during periods when you are unemployed; (2) made after your death or disability; (3) paid in substantially equal payments over your life or life expectancy; (4) paid on account of an IRS levy; (5) a qualified reservist distribution; (6) birth/adoption excise tax exception; (7) federally declared disaster; (8) domestic abuse; or (9) emergency expense. You can file IRS Form 5329, along with your federal tax return, to claim an exemption from the 10% penalty with respect to your distribution.

If you convert your Traditional/Rollover IRA to a Roth IRA, the taxable portion of your Traditional IRA is not subject to the 10% penalty regardless of your age at the time of the conversion.

### Repayment of Certain Penalty-Free Distributions

For birth/adoption, federally declared disaster, domestic abuse, or emergency expense distributions you have three years to repay the distribution. Generally, the three-year time frame starts the day after the distribution is received.

**Required Minimum Distributions**

When you reach the Required Minimum Distribution age, you are required to begin taking distributions from your Traditional/Rollover IRA. This is not required for a Roth IRA. Inherited IRAs, including Roth Inherited IRAs, have different Required Minimum Distributions rules.

**IMPORTANT DISCLAIMER**

**This summary is intended to provide a general statement of the rules affecting withdrawals from IRAs and is not intended to provide specific guidance. The rules affecting withdrawals from these accounts are complex and subject to change. Please consult your own financial, tax or legal advisor regarding the application of the rules regarding your particular situation before requesting a distribution. For more information, see IRS Publication 590-B.**

**7. Sign Your Account Authorization**

**A signature is required below for the Schwab IRA Account Holder. If establishing Schwab MoneyLink®, signatures are required below for the Schwab IRA Account Holder.**

**A.** I authorize Schwab to distribute cash and/or securities from my IRA according to the elections made by me on this form and certify that: (1) Under penalties of perjury, I declare that I have reviewed my elections on this form and, to the best of my knowledge and belief, they are true, correct, and complete and (2) Schwab may rely on my elections and certification without further investigation and inquiry.

**For Schwab Managed Portfolios™ or Schwab Managed Account Services™ accounts only:**

If my IRA is enrolled in Schwab Managed Portfolios or Schwab Managed Account Services, by signing below, I am requesting that the Money Manager\* and Charles Schwab & Co., Inc. ("Schwab") add withdrawal instructions on the account according to the instructions on this form. I understand that at least five business days' notice to Schwab is required for withdrawals from the account and that if I am requesting a cash withdrawal, the Money Manager may liquidate securities to generate sufficient cash to process my withdrawal request. As a result, the account may not perform as well as other accounts managed by the Money Manager.

**B. Schwab MoneyLink® Authorization—Terms for the Schwab IRA Account Holder.** By signing below, I am signing up for Schwab MoneyLink. Terms and conditions for the Schwab MoneyLink Service will be sent to me when this form is processed. Those terms and conditions will govern all Schwab MoneyLink transactions, and my use of Schwab MoneyLink will confirm that I have received, reviewed, and agreed to be bound by these terms and conditions, including, without limit, any amendments, until I cancel this service.

**C. Schwab MoneyLink Authorization—Terms Relating to the Other Financial Institution Account.** I/we authorize Schwab (i) to initiate credit entries to my/our account indicated (the "Other Account") and to credit that account, (ii) to initiate debit entries to the Other Account and to debit that account, and (iii) to initiate reversals to the Other Account of erroneous or duplicate credit or debit entries and to credit or debit such account as appropriate. This authorization will remain in full force and effect until Schwab has received written or verbal notification (by calling 1-800-435-4000) from me of its termination. Schwab must receive this notification in a time and manner so as to give Schwab and the Other Financial Institution a reasonable opportunity to act on it.

**This authorization may be terminated by the Schwab Account Holder at any time by calling 1-800-435-4000.**

I represent and warrant that I have the authority, acting individually and without notice to any other Account Holder, to submit the enrollment request to Schwab as fully and completely as if I were the sole Account Holder of the Schwab account and the outside account, and that all other owners of the account have authorized me to submit this request to Schwab. I hereby agree to indemnify and hold Schwab harmless from and against any loss, claim, damage, or liability arising out of or resulting from any action taken by Schwab in reliance upon this representation and warranty that Schwab in good faith accepts as genuine.

**If I am the Schwab IRA Account Holder, my signature below constitutes my agreement with the terms set forth in Section 7A and, if applicable, Section 7B. If I am an Account Holder of the Other Financial Institution, my signature below constitutes my agreement with the terms set forth in Section 7C.**

**Account Holder must sign using blue or black ink.**

**X**

Signature: Account Holder

Today's Date (mm/dd/yyyy)

Print Name

**X**

Signature: Other Financial Institution Account Holder (if applicable)

Today's Date (mm/dd/yyyy)

Print Name



## 8. Return Instructions

- **Upload** online with secure messaging (if you are an existing client and have online access to your account).

1. Go to Schwab.com and log in to your account.
2. Click Message Center (under Service), and then click Upload Document.

- **Fax** to 1-888-526-7252.

- **Bring** to your nearest Schwab branch (visit schwab.com/branch for locations).

- **Mail** to any of the following addresses:

**Regular Mail (West)**

Charles Schwab & Co., Inc.  
P.O. Box 982600  
El Paso, TX 79998-2600

**Regular Mail (East)**

Charles Schwab & Co., Inc.  
P.O. Box 2339  
Omaha, NE 68103

**Overnight Mail (West)**

Charles Schwab & Co., Inc.  
1945 Northwestern Drive  
El Paso, TX 79912

**Overnight Mail (East)**

Charles Schwab & Co., Inc.  
200 S 108th Ave  
Omaha, NE 68154

# State Income Tax Withholding Information for Individual Retirement Accounts

This general information is provided to help you understand state income tax withholding requirements for Individual Retirement Account distributions. While Schwab makes every effort to obtain information about state tax laws from reliable sources, Schwab cannot guarantee the accuracy or timeliness of state tax withholding information because state tax laws are subject to constant change and interpretation. Please make sure to properly estimate your withholding rate based on your tax status. You will be responsible for any under-withholding when you file your tax return. We recommend that you contact your tax advisor regarding your tax withholding elections or making estimated tax payments, and to answer any questions that you may have regarding your state's withholding laws.

If your state of residency is:	Your withholding options are:
<b>KS, MA, ME, NE, VT</b>	<p>If you have federal income tax withheld, Schwab is required to withhold state income tax.</p> <p>If you do not have federal income tax withheld, you may optionally elect to have state income tax withheld.</p> <p>You may provide a percentage amount equal to or greater than your state's withholding requirements; otherwise Schwab will automatically apply your state's applicable withholding requirements.</p>
<b>AR, CA, CT<sup>1</sup>, DE, IA, MI<sup>2</sup>, MN<sup>3</sup>, NC, OK, OR</b>	<p>If you have federal income tax withheld, Schwab is required to withhold state income tax unless you specifically elect not to have state income tax withheld.</p> <p>You may provide a percentage amount equal to or greater than your state's withholding requirements; otherwise Schwab will automatically apply your state's applicable withholding requirements.</p>
<b>AL, AZ, CO, DC<sup>1</sup>, GA, ID, IL, IN, KY, LA, MD, MO, MS<sup>4</sup>, MT, ND, NJ, NM, NY, OH, PA, RI, SC, UT, VA, WI, WV</b>	State income tax withholding is voluntary regardless of whether or not you have federal income tax withheld. Schwab will withhold state income tax only if you instruct us to do so.
<b>AK, FL, HI, NH, NV, SD, TN, TX, WA, WY</b>	State income tax withholding is not available. Schwab will not withhold state income tax even if you elect to withhold state income tax.

If your state of residency is:	Your tax rate is:
<b>AR, VT</b>	3%
<b>CA</b>	1%
<b>CT<sup>1</sup></b>	6.99%
<b>DC<sup>1</sup></b>	10.75%
<b>DE, IA, KS, MA, ME, NE</b>	5%
<b>MI<sup>2</sup></b>	4.25%
<b>MN<sup>3</sup></b>	6.25%
<b>MS<sup>4</sup></b>	4.7%
<b>NC</b>	4%
<b>OK</b>	4.75%
<b>OR</b>	8%
<b>AL, AZ, CO, GA, ID, IL, IN, KY, LA, MD, MO, MT, ND, NJ, NM, NY, OH, PA, RI, SC, UT, VA, WI, WV</b>	There is no mandatory tax rate since these states are voluntary withholding states.
<b>AK, FL, HI, NH, NV, SD, TN, TX, WA, WY</b>	State income tax withholding is not available.

Schwab may be required to withhold state tax from your distribution based upon state tax law for your state of residency. Your state of residency is determined by the legal address of record on your account. In some cases, you may elect not to have withholding apply, or you may elect to increase the rate of withholding. In other cases, state tax withholding is not available. Please refer to the chart above.

<sup>1</sup> State income tax withholding is required on lump sum distributions, and opting out of state withholding is not allowed.

<sup>2</sup> You must submit the MI W-4P to Schwab if you wish to opt out of Michigan state income tax withholding. You can obtain a copy of the MI W-4P by visiting Schwab.com or Michigan.gov/taxes.

<sup>3</sup> You must submit the W-4MNP to Schwab if you wish to opt out of the Minnesota state income tax withholding. You can obtain a copy of the W-4MNP by visiting [www.revenue.state.mn.us/](http://www.revenue.state.mn.us/)

<sup>4</sup> MS income tax state withholding is required on early and excess distributions.





## 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.

---

**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.