

MFS® IRA DISTRIBUTION AUTHORIZATION FOR NON-SPOUSE BENEFICIARIES



For MFS Traditional, Roth, SEP, SARSEP, SIMPLE, and Roth SIMPLE IRAs Trusteed by MFS Heritage Trust Company

Instructions

- For total distribution, complete Sections 1, 2, 3, 6, and 7. Please also review the enclosed Tax Withholding Information and, if applicable, complete and sign the attached Form W-4R.
- For installment distributions, complete Sections 1, 2, 4, 5, 6, and 7. Please also review the enclosed Tax Withholding Information and, if applicable, complete and sign the attached Form W-4R.
- If there is more than one beneficiary of the IRA, a separate form must be completed by each beneficiary.
- If there is more than one type of IRA, a separate form must be completed for each.

1. Account Information

IRA OWNER'S FIRST NAME _____ MI _____ LAST NAME _____

- - SOCIAL SECURITY NUMBER

/ / DATE OF BIRTH (MM/DD/YYYY)

/ / DATE OF DEATH (MM/DD/YYYY)

Type of IRA (Choose one.) Traditional Roth SEP SARSEP SIMPLE Roth SIMPLE

2. Beneficiary Information

NON-SPOUSE BENEFICIARY'S NAME _____

RESIDENTIAL ADDRESS REQUIRED (NO P.O. BOXES)

CITY STATE ZIP CODE

MAILING ADDRESS (IF DIFFERENT FROM ABOVE)

CITY STATE ZIP CODE

SOCIAL SECURITY NUMBER OR TAXPAYER ID

/ / DATE OF BIRTH (MM/DD/YYYY)

PHONE NUMBER MOBILE NUMBER

The beneficiary is a child of the IRA owner who has not attained the age of majority.

Note: If the beneficiary's name has changed since the beneficiary designation was made, please complete the following fields.

I authorize MFS to change my name on my account(s) from my former name _____
FORMER NAME

to my new name _____
NEW NAME

SIGNATURE (FORMER NAME) DATE (MM/DD/YYYY)

SIGNATURE (NEW NAME) DATE (MM/DD/YYYY)

Note: If the named beneficiary is an Estate or Trust, the following information must be provided by the Executor, Executrix or Trustee(s). If there are additional trustees, please provide an attached list with the information listed below for each Trustee or Estate Representative. If the account is not being redeemed in full and the trust is not for the benefit of a natural person, or if the beneficiary is an entity, please include a completed Legal Entity Certification Form in addition to this form to complete your request.

FIRST NAME	MI	LAST NAME	
<div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <input style="width: 100%; height: 20px; border: 1px solid black;" type="text"/> <input style="width: 100%; height: 20px; border: 1px solid black;" type="text"/> <input style="width: 100%; height: 20px; border: 1px solid black;" type="text"/> </div> <div style="width: 30%;"> <input style="width: 100%; height: 20px; border: 1px solid black;" type="text"/> <input style="width: 100%; height: 20px; border: 1px solid black;" type="text"/> </div> <div style="width: 30%;"> <input style="width: 100%; height: 20px; border: 1px solid black;" type="text"/> <input style="width: 100%; height: 20px; border: 1px solid black;" type="text"/> <input style="width: 100%; height: 20px; border: 1px solid black;" type="text"/> <input style="width: 100%; height: 20px; border: 1px solid black;" type="text"/> </div> </div>	<input style="width: 100%; height: 20px; border: 1px solid black;" type="text"/> <input style="width: 100%; height: 20px; border: 1px solid black;" type="text"/> <input style="width: 100%; height: 20px; border: 1px solid black;" type="text"/> <input style="width: 100%; height: 20px; border: 1px solid black;" type="text"/>		
SOCIAL SECURITY NUMBER	DATE OF BIRTH (MM/DD/YYYY)		
RESIDENTIAL ADDRESS REQUIRED (NO P.O. BOXES)	CITY	STATE	ZIP CODE
MAILING ADDRESS (IF DIFFERENT FROM ABOVE)	CITY	STATE	ZIP CODE

3. Total Distribution

If shares were recently purchased, MFS Service Center, Inc. (MFSC) may delay the payment of redemption proceeds of those shares for a period of up to seven business days in order to enable MFSC to confirm that the funding has cleared. These redemption proceeds will generally be sent separately in the form of a check.

Note: If the IRA owner died in 2019 or earlier, the only option is a total distribution.

- Pay me the total balance in a single payment.
- Contribute into a non-IRA account.
 - I have attached a New Account Application.
 - I have an existing account with MFS, and the fund and account number is below.

<input style="width: 100%; height: 20px; border: 1px solid black;" type="text"/> <input style="width: 100%; height: 20px; border: 1px solid black;" type="text"/> <input style="width: 100%; height: 20px; border: 1px solid black;" type="text"/> <input style="width: 100%; height: 20px; border: 1px solid black;" type="text"/>	<input style="width: 100%; height: 20px; border: 1px solid black;" type="text"/>
FUND NUMBER	ACCOUNT NUMBER

4. Installment Distributions

If the IRA owner was over Required Minimum Distribution age in the year of the owner's death, any unpaid Required Minimum Distribution (RMD) amounts for that year cannot be transferred to the decedent account. These amounts must be paid to the beneficiary(ies). If MFS was calculating the RMD, any remaining amounts will be distributed from the account. If MFS was not calculating the RMD, please submit a letter of instruction asking to distribute the RMD.

Choose the applicable distribution period below. Additionally, complete Part B if applicable. Please also complete Section 5. By completing this section, an inherited account will be established for the beneficiary named in Section 2, for installment distributions. If the beneficiary intends to assign a different broker/dealer firm to the inherited account, please complete and submit a Dealer Change Authorization Form, which can be found at mfs.com/forms, with this request.

Note: If the non-spouse beneficiary is an entity (e.g., the estate, a charity or a non-qualified trust) rather than a person, the only option for such beneficiaries of (1) traditional IRAs if the IRA owner died before Required Minimum Distribution age, or (2) Roth IRAs, is the 5-year period. If the traditional IRA owner died after the required beginning date, distributions to the entity may be made over the remaining single life expectancy of the owner starting in the year after the year in which the owner died.

A. Distribution Method

As a general rule, the assets in the traditional or Roth IRA must be distributed to the designated beneficiary by the end of the tenth calendar year following the year of the IRA owner's death. However, if the beneficiary is an "eligible designated beneficiary," such beneficiary may receive RMDs calculated with reference to his or her life expectancy. An "eligible designated beneficiary" is any individual who is the surviving spouse of the IRA owner, a child of the IRA owner who has not attained the age of majority (upon such child attaining the age of majority any remaining assets must be distributed no later than the end of the tenth calendar year after the calendar year in which the child reaches the age of majority); certain disabled and chronically ill individuals, and an individual not listed above who is less than 10 years younger than the IRA owner. Please consult with your tax advisor to determine if you qualify as an eligible designated beneficiary.

If the IRA is invested in more than one mutual fund, pro rata (proportionate) installment distributions will be made from each fund.

Eligible Designated Beneficiary (as defined above):

- Life Expectancy:** Pay the total account balance over the beneficiary's life expectancy beginning in _____ MONTH
 _____ YEAR. The beneficiary's date of birth is _____ (MM/DD/YYYY).
 (May be no later than December 31st of the calendar year immediately following the year in which the IRA owner died.)
- Period Certain:** Pay me the total account balance over _____ NUMBER years (may not exceed the number of years that would be calculated under the Life Expectancy method) beginning in _____ MONTH _____ YEAR.
 (May be no later than December 31st of the calendar year immediately following the year in which the IRA owner died.)

Designated Beneficiary (an individual or qualified trust who is not an eligible designated beneficiary as defined above):

- 10-Year Period:** I intend to deplete the account by the end of the 10th year following the year in which the IRA owner died. Pay the total account balance over _____ NUMBER years (may not exceed 10 years from the date of death of the owner) beginning in _____ STARTING MONTH.
- Note:** If the account owner died on or after receiving RMD, the beneficiary must take RMD payments in years 1-9, depleting the account by the 10th year after the IRA owner's date of death.
- Life Expectancy:** Pay the total account balance over the beneficiary's life expectancy beginning in _____ MONTH
 _____ YEAR. The beneficiary's date of birth is _____ (MM/DD/YYYY).
 (May be no later than December 31st of the calendar year immediately following the year in which the IRA owner died.)
- Note:** If Life Expectancy is chosen, the entire account balance must be paid out by the 10th year from the IRA owner's date of death. In the event your life expectancy is longer than 10 years, you must request the final payout in year ten.

Entity Beneficiary (e.g., the estate, a charity, or a non-qualified trust):

- 5-Year Period:** I intend to deplete the account by the end of the 5th year following the year in which the IRA owner died. Pay the total account balance over _____ NUMBER years (may not exceed five) beginning in _____ STARTING MONTH.
- The decedent's remaining life expectancy:** Pay the total account balance over the decedent's remaining life expectancy beginning in _____ MONTH _____ YEAR. (May be no later than December 31st of the calendar year immediately following the year in which the IRA owner died.)
- Note:** This option is only available if the IRA owner died after the required beginning date.

B. Beneficiary Designation

Please complete the following if you wish to designate a beneficiary to receive proceeds in the event of your death while receiving installment payments. All information must be completed. If you are designating more than two primary beneficiaries, or if you wish to designate a secondary beneficiary or beneficiaries, please list all requested information on a separate sheet. If you do not name beneficiaries, the beneficiary designation default will be applied to your account. (The default is that the beneficiary shall be the individual's surviving spouse or, if none, his or her surviving issue per stirpes or, if none, the individual's estate.)

- MFS Funds reserves the right to round up fractional shares for distribution.
- For trusts, please list the trust name and the under agreement date (U/A Date).
- If percentage shares are not specified, the beneficiaries will receive equal shares.

Note: All stated percentages must total 100%. If not, transfers shall be made proportionally on the percentages stated.

NAME	SSN/ TAX ID#	PERCENTAGE (%)	DOB/TRUST U/A DATE (MM/DD/YYYY)	RELATIONSHIP

5. Payment Frequency for Installment Distributions Only

Monthly

Or

Other than monthly (Check month(s) below.)

Jan Feb Mar Apr May June July Aug Sept Oct Nov Dec

Provide the day of the month from the **15th to the 31st** that you would like your installment distributions to be processed: _____.

Installment distributions will occur at the frequency indicated and will be processed on or about the same day of the month. If no frequency is indicated, withdrawals will be made monthly. If no day is chosen, or if a day that is not between the 15th and 31st is chosen, withdrawals will be made on or about the 24th.

6. Payment Instructions (Choose one.)

If no instructions are provided, the check will be mailed to the address of record.

- Make check payable to me and mail to the address given in Section 2.
- Direct deposit the proceeds to my bank account. I have attached an original voided check and/or preprinted deposit slip. In lieu of an original voided check or deposit slip, you may submit a letter from your bank providing the name on the bank account, routing number, and account number. The letter from the bank must be on their letterhead.

If direct deposit was selected, please indicate the type of account, select one of the following methods of deposit, and provide bank account information below, which will be compared to the voided check or preprinted deposit slip to ensure accuracy.

All fields below must be completed to send the funds via direct deposit.

Type of Account: Checking Savings

- ACH – If this method is chosen, the bank information provided must have an owner in common with beneficiary named in Section 2.
- Wire (**Note:** not available for installment distributions.)

NAME ON CHECKING/SAVINGS ACCOUNT **(REQUIRED)**

BANK NAME **(REQUIRED)**

BANK ACCOUNT NUMBER **(REQUIRED)**

BANK ROUTING NUMBER **(REQUIRED)**

Attach an original voided check or preprinted deposit slip.

7. Distribution Authorization

As the Designated Beneficiary of the above MFS IRA, I authorize this distribution and certify that it is in accordance with the provisions of the IRA Trust Agreement. The trustee of the MFS IRA and any MFS affiliates are entitled to rely on my authorization and are released from any and all claims I may have or claim to have with respect to this distribution. I further certify that I have read the enclosed Tax Withholding Information and that my Social Security number written above is true and complete and that this number is my taxpayer identification number.

Check if you are not a U.S. citizen or resident alien. Please provide a W-8 BEN form.

If this box is checked, you will be restricted from making exchanges into and out of this account.

BENEFICIARY SIGNATURE

DATE (MM/DD/YYYY)

PRINT NAME

Important notice for IRA balances over \$500,000.

If the value of the deceased's IRA is greater than \$500,000, a certified copy of the appointment of the Executor or Administrator of the Estate, dated within sixty days, must accompany this form even if the beneficiary of this IRA is not the estate.

Medallion Signature Guarantee

AFFIX GUARANTEE STAMP HERE

Medallion Signature Guarantee stamp must **not** be dated. The signature(s) must be guaranteed by an eligible bank, broker, dealer, credit union, national securities exchange, registered securities association, clearing agency, or savings association. Medallion Signature Guarantees will be accepted in accordance with policies established by MFS Service Center, Inc. Notarization by a notary public is not acceptable in lieu of a Medallion Signature Guarantee provided by one of the eligible guarantor institutions listed above.

If you have any questions about this form, please contact the Retirement Plans Service Department at 1-800-637-1255 any business day.

Mail completed form along with a certified copy of the IRA owner's death certificate to:

Regular mail

MFS Service Center, Inc.
P.O. Box 219341
Kansas City, MO 64121-9341

Overnight mail

MFS Service Center, Inc.
801 Pennsylvania Ave, Suite 219341
Kansas City, MO 64105-1307

TAX WITHHOLDING INFORMATION



Please complete and sign the attached Form W-4R to make a withholding election. Refer also to the list of states on the following page and submit the appropriate state form in addition to the Form W-4R, if applicable. The amount requested for distribution will be reduced by any tax withholding selected.

IRA Accounts

If a tax withholding choice is not made on the attached Form W-4R, applicable taxes will be withheld. Federal tax withholding will not be withheld from Roth IRAs, inclusive of Roth SIMPLE IRAs.

Notice of federal withholding. The distribution you receive is subject to a federal income tax withholding rate of 10%, unless you elect on the Form W-4R not to have withholding apply. If you do not make a withholding election on the attached Form W-4R and sign the form, federal income tax at a rate of 10% will be withheld on the gross amount of the payment because we are unable to determine amounts not subject to withholding. You can elect out of withholding by entering 0% on line 2 on Form W-4R. You may also elect a different percentage (between 1% and 100%) on line 2. Even if you elect not to have federal income tax withheld, you are liable for payment of federal 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 inadequate. MFS will also withhold state income taxes unless you elect not to have federal withholding apply if your address of record is in a state that requires state withholding (refer to the State income tax information on the next page).

Note: Distributions from Roth IRAs, inclusive of Roth SIMPLE IRAs are not subject to federal tax withholding. For all Roth IRA distribution requests, if no withholding election is made, taxes will not be withheld.

403(b) Accounts

A. Mandatory withholding for eligible rollover distributions

Federal law requires MFS Service Center, Inc. to withhold federal income tax from your distribution at the rate of 20% unless it is rolled over directly to an IRA or other eligible retirement plan. You may also elect to withhold more than 20% on line 2 of the attached Form W-4R. The withholding is mandatory; you may not waive it. Please review the enclosed notice for additional information. Distributions which are not rolled over directly to an IRA or other eligible retirement plan and which are paid to residents of states that require state withholding (refer to the State income tax information on the next page) are subject to mandatory state income tax withholding. If your state requires withholding, MFS will withhold at least the minimum state tax regardless of your election. The mandatory withholding will automatically be applied to distributions paid directly to you unless the distribution is due to financial hardship or is due to Required Minimum Distribution.

B. For Required Minimum Distributions and Hardship distributions (Distributions not subject to mandatory 20% withholding)

To elect out of withholding or to request withholding at a rate other than 10%, you must complete and sign the attached Form W-4R.

Notice of federal withholding. The distribution you receive is subject to a federal income tax withholding rate of 10%, unless you elect on the attached Form W-4R not to have withholding apply. If you do not make a withholding election on the attached Form W-4R, federal income tax at a rate of 10% will be withheld on the gross amount of the payment because we are unable to determine amounts not subject to withholding. You can elect out of withholding by entering 0% on line 2 on Form W-4R. You may also elect a different percentage (between 1% and 100%) on line 2. Even if you elect not to have federal income tax withheld, you are liable for payment of federal 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 inadequate. MFS will also withhold state income taxes unless you elect not to have federal withholding apply if your address of record is in a state that requires state withholding (refer to the State income tax information on the next page).



State income taxes

Refer to the chart below for state income tax information.

For residents of:	State withholding information
CA, DE, KS, MA, ME, NC, OR, and VT	MFS will withhold state income taxes on both IRA and 403(b) accounts unless you elect not to have federal withholding apply.
AR	Residents of AR will have state income taxes withheld on IRA, non-qualified one-time Roth IRA, and 403(b) distributions regardless of federal income tax withholding elections. To opt out of AR state income tax withholding you must submit a completed Form AR4P.
IA	Residents of IA will have state income taxes withheld on both IRA and 403(b) accounts unless you qualify for the retirement income exclusion.
MD	MFS will withhold state income taxes on distributions from 403(b) accounts that are eligible rollover distributions. MFS will not withhold state income taxes from IRA distributions.
MN	Residents of MN will have state income taxes withheld on both IRA and 403(b) accounts regardless of whether you've elected federal income tax withholding unless you submit or have submitted a completed Form W-4MNP for a periodic or non-periodic distribution. If not already submitted, a Form W-4MNP should be submitted with this distribution request. If you have not submitted a completed W-4MNP at the time of your distribution request, MFS will withhold based on the applicable state tax rate in accordance with state statute. State income tax will also be applied to non-qualified one-time Roth IRA distributions without a completed Form W-4MNP on file. State withholding will not be applied to Systematic Withdrawal Plan (SWP) distributions from Roth IRAs.
NE	MFS will withhold state income taxes on 403(b) accounts unless you elect not to have federal withholding apply. MFS will not withhold state income taxes from IRA distributions.
OK	Residents of OK will have state income taxes withheld on both IRA and 403(b) accounts regardless of federal income tax withholding unless you submit a completed Form OK-W-4-R for a periodic or partial distribution with this request.
VA	MFS will withhold state income taxes on 403(b) accounts unless you elect not to have federal withholding apply. MFS will not withhold state income taxes from traditional IRA and SEP IRA distributions.
All other states	MFS will not withhold state income taxes from IRA or 403(b) distributions.

Withholding Certificate for Nonperiodic Payments and Eligible Rollover Distributions

2026

Give Form W-4R to the payer of your retirement payments.

1a First name and middle initial	Last name	1b Social security number
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Address

City or town, state, and ZIP code

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% on line 2. Generally, you can't choose less than 10% for payments to be delivered outside the United States and its territories.
- For an eligible rollover distribution, the default withholding rate is 20%. You can choose a rate greater than 20% by entering the rate on line 2. You may not choose a rate less than 20%.

See page 2 for more information.

2 Complete this line if you would like a rate of withholding that is different from the default withholding rate. See the instructions on page 2 and the Marginal Rate Tables below for additional information. Enter the rate as a whole number (no decimals)	2	%
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Sign Here	<div style="border-bottom: 1px solid black; min-height: 20px;"> Your signature (This form is not valid unless you sign it.) </div>	<div style="border-bottom: 1px solid black; min-height: 20px;"> Date </div>
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about any future developments related to Form W-4R, such as legislation enacted after it was published, go to www.irs.gov/FormW4R.

Purpose of form. Complete Form W-4R to have payers withhold the correct amount of federal income tax from your nonperiodic payment or eligible rollover distribution from an employer retirement plan, annuity (including a commercial annuity), or individual retirement arrangement (IRA). See page 2 for the rules and options that are available for each type of payment. Don't use Form W-4R for periodic

payments (payments made in installments at regular intervals over a period of more than 1 year) from these plans or arrangements. Instead, use Form W-4P, Withholding Certificate for Periodic Pension or Annuity Payments. For more information on withholding, see Pub. 505, Tax Withholding and Estimated Tax.

Caution: If you have too little tax withheld, you will generally owe tax when you file your tax return and may owe a penalty unless you make timely payments of estimated tax. If too much tax is withheld, you will generally be due a refund when you file your tax return. Your withholding choice (or an election not to have withholding on a nonperiodic payment) will generally apply to any future payment from the same plan or IRA. Submit a new Form W-4R if you want to change your election.

2026 Marginal Rate Tables

You may use these tables to help you select the appropriate withholding rate for this payment or distribution. Add your income from all sources and use the column that matches your filing status to find the corresponding rate of withholding. See page 2 for more information on how to use this table.

Single or Married filing separately		Married filing jointly or Qualifying surviving spouse		Head of household	
Total income over—	Tax rate for every dollar more	Total income over—	Tax rate for every dollar more	Total income over—	Tax rate for every dollar more
\$0	0%	\$0	0%	\$0	0%
16,100	10%	32,200	10%	24,150	10%
28,500	12%	57,000	12%	41,850	12%
66,500	22%	133,000	22%	91,600	22%
121,800	24%	243,600	24%	129,850	24%
217,875	32%	435,750	32%	225,900	32%
272,325	35%	544,650	35%	280,350	35%
656,700*	37%	800,900	37%	664,750	37%

* If married filing separately, use \$400,450 instead for this 37% rate.

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 2026, 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;
- Qualified long-term care 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 \$70,000 without the payment. Step 1: Because your total income without the payment, \$70,000, is greater than \$66,500 but less than \$121,800, the corresponding rate is 22%. Step 2: Because your total income with the payment, \$90,000, is greater than \$66,500 but less than \$121,800, 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 \$60,000 without the payment. Step 1: Because your total income without the payment, \$60,000, is greater than \$28,500 but less than \$66,500, the corresponding rate is 12%. Step 2: Because your total income with the payment, \$80,000, is greater than \$66,500 but less than \$121,800, the

corresponding rate is 22%. The two rates differ. \$6,500 of the \$20,000 payment is in the lower bracket (\$66,500 less your total income of \$60,000 without the payment), and \$13,500 is in the higher bracket (\$20,000 less the \$6,500 that is in the lower bracket). Multiply \$6,500 by 12% to get \$780. Multiply \$13,500 by 22% to get \$2,970. The sum of these two amounts is \$3,750. This is the estimated tax on your payment. This amount corresponds to 19% of the \$20,000 payment (\$3,750 divided by \$20,000). Enter "19" 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.