

**Please Print or Type**

CUID (Credit Union will Complete)

Social Security Number \_\_\_\_\_ IRA Suffix \_\_\_\_\_

 \$ \_\_\_\_\_  
Total Withdrawal Amount

 \_\_\_\_\_  
Credit Union Name

 \_\_\_\_\_  
IRA Owner's Name (First, Initial, Last)

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

 \_\_\_\_\_  
Date of Withdrawal (MM/DD/YYYY)

**WITHDRAWAL REASON**

Check only one of the numbered boxes. Also check any of the applicable boxes appearing immediately below the numbered box that you check. See the reverse side for more information. Complete the Federal Withholding Election section above the signature line if you check any box other than 1.

 **1. Direct transfer to a Roth IRA.** (Do not use if check is payable to owner.)

 \_\_\_\_\_  
For direct transfer due to divorce, enter name of former spouse.

 \_\_\_\_\_  
Name of the institution receiving the funds

You must check the classification of the institution named above and the type of investment in which the funds will be invested:

- | <u>Institution</u>                            | <u>Investment</u>                        |
|---|--|
| <input type="checkbox"/> 1. Bank/S&L          | <input type="checkbox"/> 1. Stocks/Bonds |
| <input type="checkbox"/> 2. Insurance Company | <input type="checkbox"/> 2. Deposit/CD   |
| <input type="checkbox"/> 3. Broker            | <input type="checkbox"/> 3. Annuity      |
| <input type="checkbox"/> 4. Credit union      | <input type="checkbox"/> 4. Mutual Fund  |
| <input type="checkbox"/> 5. Other             | <input type="checkbox"/> 5. Other        |

**Withdrawal of Contributions Before Early Withdrawal Deadline**
 **2. Withdrawal in the same year** as the contribution (IRS code J8).

 \$ \_\_\_\_\_  
Income Attributable to Withdrawn Contribution

 **3. Withdrawal in the year after** the contribution (IRS code JP).

 \$ \_\_\_\_\_  
Income Attributable to Withdrawn Contribution

**Revocation Within 7 Days of Opening**
 **4. Revocation of IRA after regular contribution** (IRS code J8 or J).

 \$ \_\_\_\_\_  
Income Attributable to Withdrawn Contribution

 **5. Revocation of IRA after IRA conversion contribution** (IRS code J).

 \$ \_\_\_\_\_  
Income Attributable to Withdrawn Contribution

 **6. Revocation of IRA after direct transfer or rollover** (IRS code J).

**Other Withdrawals by the Original Owner**

Note: This includes a withdrawal that you intend to roll over to another Roth IRA.

 **7.** I am under age 59½, and I am not disabled (IRS code J).

 **8.** I have reached age 59½, or I am disabled (IRS code T or Q).

 a. The five-year test has been met with a credit union Roth IRA (IRS code Q). (Only applies if you check box 8.)

**Other Withdrawals by a Beneficiary** (following the death of the original owner)

 **9.** Sign on the IRA owner's signature line (IRS code T or Q). Check the following box if it applies.

 b. The five-year test has been met with a credit union Roth IRA (IRS code Q). (Only applies if you check box 9.)

 \_\_\_\_\_  
Beneficiary's Name

 \_\_\_\_\_  
Beneficiary's Social Security Number

**TYPE OF WITHDRAWAL & STATUS AFTER WITHDRAWAL**

Check only one:

- 
- 1. PARTIAL WITHDRAWAL**
- There is still money in this account.
- 
- 
- 2. COMPLETE WITHDRAWAL**
- There will be no money (including dividends) in this account.
- 
- 
- 3. COMPLETE WITHDRAWAL AND CLOSE**
- There will be no money in this account, and this IRA is to be closed.

**PAYMENT METHOD**

Check only one:

- 
- 1.**
- I want to receive this payment by check/share draft.
- 
- 
- 2.**
- Deposit this payment directly into my account at the credit union. Account # \_\_\_\_\_
- 
- 
- 3. DIRECT TRANSFER**
- Send this payment directly to the receiving institution named above.

**FEDERAL WITHHOLDING ELECTION - Complete an IRA State Income Tax Withholding Election (Form 2312), if applicable**

Check only one: (Not necessary for a direct transfer to another Roth IRA.)

- 
- 1. WITHHOLD 10%**
- federal income tax from this payment. Amount withheld: \$ \_\_\_\_\_
- 
- 
- 2. DO NOT WITHHOLD 10%**
- federal income tax from this payment.

**IRA OWNER'S SIGNATURE**

I certify that the information on this form is correct, that I am the proper party to authorize this payment and that I have received a copy of the Withholding Notice.

 X \_\_\_\_\_  
IRA Owner's Signature Date (MM/DD/YYYY)

**WITHHOLDING NOTICE**

Payments from your IRA are subject to federal income tax withholding, unless you elect no withholding. You may change your withholding election at any time prior to your receipt of a payment. Your withholding election does not affect the amount of income tax you pay. You may incur penalties under the estimated tax rules if your withholding and estimated tax payments are insufficient. You may be required to pay estimated taxes even if you elect withholding.

## SUMMARY OF RULES AFFECTING THIS FORM

There are many tax rules regulating the movement of money out of an IRA. This form contains a brief summary of these rules. See the Roth IRA Disclosure Statement for a more detailed discussion of these rules.

### REASON FOR THE WITHDRAWAL

We are required to report the reason for your withdrawal to the IRS. We rely on the information you provide us on this form in assigning an IRS code to a withdrawal. If you are withdrawing money for more than one reason, then complete a separate form for each withdrawal reason.

A **direct transfer** is a transaction in which our credit union sends the money directly to the trustee or custodian of another Roth IRA. For a direct transfer to another Roth IRA, **check box 1**. (This transaction will not be reported to the IRS.)

For a withdrawal of a contribution and the income attributable to it **before the early withdrawal deadline**:

- For a withdrawal in the year in which the contribution was made, **check box 2** and write the income attributable on the blank line.
- For a withdrawal in the following year, **check box 3** and write the income attributable on the blank line.
- For an account that was revoked within seven days, **check box 4, 5 or 6**. Write the income attributable on the blank line if you check box 4 or 5.

For any other withdrawal by the original owner (including a withdrawal of a contribution after the early withdrawal deadline), **check box 7 or 8**. **If you check box 8, also check box "a" if it is true in your situation.**

- If you check boxes 8 and "a," we will report the withdrawal as IRS code Q. If you check only box 8, we will report it as IRS code T.
- The tax laws define "disability" as being unable to engage in any substantial gainful activity by reason of any medically determined physical or mental impairment that can be expected to result in death, or to be of long continued and indefinite duration.

For a withdrawal by a beneficiary following the original owner's death, **check box 9**. **If you check box 9, also check box "b" if it is true in your situation.** Write your name and social security number on the blank lines, and sign this form on the "IRA Owner's Signature" line.

- If you check boxes 9 and "b," we will report the withdrawal as IRS code Q. If you only check box 9, we will report as code T.

Note that withholding does not apply in the case of distributions properly coded "Q" and early withdrawals where there is no income attributable. If this is the case, elect no withholding.

### MOVING MONEY TAX FREE

**To Another Roth IRA.** Original owners and beneficiaries can use a direct transfer to move money to a different Roth IRA. Check box 1 to do this. We will send a check directly to the trustee or custodian of the receiving Roth IRA. A direct transfer is not subject to the once-a-year rule discussed in the next paragraph.

If you are the original owner of the IRA, you can also use a rollover to move money to a different Roth IRA if during the last 365 days: (1) you have not rolled over a distribution that you received from this IRA into another Roth IRA; and (2) this IRA has not received a rollover contribution from another Roth IRA. We will make the check payable to you. You must contribute the money to the receiving Roth IRA within 60 days after you receive the check. Complete the "other withdrawal" section to do this.

**Divorce Transfer.** If you are the original owner of the IRA, you can direct transfer part or all of your Roth IRA to a Roth IRA owned by your former spouse as required by the divorce court or as part of an agreement incident to a divorce. Check box 1 and complete the line under box 1 to do this. If your former spouse does not have a Roth IRA, then your former spouse will have to establish a Roth IRA before the direct transfer can be made.

### CHANGING CONTRIBUTIONS Before Early Withdrawal Deadline

**Recharacterize the contribution.** If you could have originally made a contribution to a traditional IRA, then you can recharacterize that Roth IRA contribution as a contribution to a traditional IRA prior to the recharacterization deadline described below. Use the Roth IRA Contribution Recharacterization (Form 2419R) instead of this form.

**Withdrawal before the early withdrawal deadline.** You may withdraw any contribution before the early withdrawal deadline described below. You must also withdraw the income attributable to the contribution. You are not required to pay the excess contribution penalty tax if you make such a withdrawal. To use this approach check box 2 or 3, and:

- Compute the income attributable to the contribution using the IRS formula.
- Add the income attributable to the amount of the withdrawn contribution and write the answer to this addition on the "total withdrawal amount" line.
- Write the income attributable to the contribution on the blank line at box 2 or 3.

**Early Withdrawal and Recharacterization Deadline.** The deadline for recharacterizing or withdrawing a contribution is normally the deadline for filing your federal tax return for the year for which the contribution was made, including extensions. The deadline for withdrawing a regular contribution made from January 1 through the tax return deadline, which is attributed to the previous year, is the tax return deadline for the year to which the contribution was attributed. If you timely filed your federal income tax return for the year, then your deadline is automatically extended to six months after the deadline for filing your federal tax return for the year (not including other extensions). For calendar year taxpayers, this is October 15 or the next business day if October 15 is on a weekend or federal holiday.

### Handling Excess Contributions After Early Withdrawal Deadline

**Apply an excess to a future year.** A Roth IRA contribution which exceeds the amount authorized by the tax laws (a true excess) is automatically attributed as a regular Roth contribution to the next available year or years if the excess is not removed. The first available year is the next year in which the total of your regular Roth and traditional IRA contributions for that year are less than the annual contribution limit for that year. If the excess is not eliminated in the first available year, then the remaining excess is carried forward until it is applied to a subsequent available year. The income attributable stays in the IRA. You will be liable for a 6% tax on the amount of the excess contribution in the IRA at the end of each calendar year until the excess has been fully attributed to one or more future years. You may be required to file amended tax returns to reflect the excess contribution tax and the attribution of the contribution to a future year. To use this approach, you do NOT withdraw money from your Roth IRA, so you should NOT complete this form.

**Withdrawal after early withdrawal deadline.** There are no special rules for withdrawing an excess Roth contribution after the early withdrawal deadline (unlike traditional IRA contributions). You can withdraw an excess contribution after the early withdrawal deadline under the normal withdrawal rules, without paying income tax on the amount withdrawn. To use this approach, write the amount of the excess contribution on the "total withdrawal amount" line and check box 7. Under this approach you do not withdraw the income attributable to the contribution. You will be liable for a 6% tax on the amount of the excess contribution in the IRA at the end of each calendar year until the excess has been removed or fully attributed to one or more future years.

### EXCEPTIONS TO 10% TAX

Many of the distributions the IRS requires us to report with IRS code J are not subject to the 10% early distribution tax. The following distributions are exempt from this 10% tax even if IRS code J appears on the IRS Form 1099-R:

- The owner has a disability. The tax laws define disability as being unable to engage in any substantial gainful activity by reason of any medically determined physical or mental impairment that can be expected to result in death, or to be of long continued and indefinite duration.
- First time home buyer exception. Withdrawals up to the amount of qualified acquisition costs to buy or build the principal residence of a first-time home buyer are not subject to the 10% early distribution tax. You have a \$10,000 lifetime limit on the total amount you can withdraw from traditional and Roth IRAs under this exception. The money must be used for this purpose within 120 days after you receive the withdrawal. The first-time home buyer can be you, your spouse, or a child, grandchild, or ancestor of you or your spouse. A person is a "first-time home buyer" if neither the person nor the person's spouse has had an ownership interest in a principal residence during the two year period ending on the date of acquisition of the principal residence for which the withdrawal is being made.
- Withdrawals up to the amount of qualified higher education expenses paid during the year are not subject to the 10% early distribution tax. These expenses are the tuition, fees, books, supplies, and equipment required for enrollment or attendance at a post-secondary educational institution (a college or vocational school). These expenses must be incurred for the education of you, your spouse, your child, your grandchild, or your spouse's child or grandchild. Primary and secondary education expenses do not qualify for this exception even after the 2001 tax law changes for Coverdell Education Savings Account distributions.
- IRA distributions are exempt from the 10% early distribution tax up to the amount by which large medical expenses for the year in which the distributions are received exceed 7.5% of adjusted gross income. This exception applies whether or not you itemize income tax deductions.
- Medical insurance premiums during unemployment. If you are unemployed and have received unemployment compensation for 12 consecutive weeks under any federal or state unemployment compensation law, then withdrawals up to the amount of the medical insurance premiums you pay during the year are not subject to the 10% early distribution tax. This rule applies for the year that you receive the unemployment compensation and for the next year, except that it no longer applies to withdrawals you receive after you have become reemployed for at least 60 days. If you were self-employed, then this rule applies if you would have received unemployment compensation but for the fact that you were self-employed.
- The distribution is the result of a federal tax levy.