

Inherited IRA distribution option (after December 31, 2019)



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Instructions

- This form is to be used when either the original account holder's date of death or first beneficiary's (when applicable) date of death is after December 31, 2019, to receive distributions in accordance with section 401(a)(9) of the Internal Revenue Code.
- Your product's early withdrawal charge cannot exceed 10 years from the applicable date of death. Please see pages 4 and 5 for details.
- Sammons Institutional Group®, Inc. (SIG) does not offer tax, investment, or legal advice. Please consult with and rely upon your own tax, investment, and legal professionals.
- Non-Natural entities cannot own an inherited IRA account.

Account number (if assigned)

1. Original depositor (original IRA/deceased account holder) information

Original depositor's name (first, middle initial, last)

Date of birth	Date of death	Social Security number
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2. Inherited IRA new account holder (beneficiary) information

Name (first, middle initial, last)

Social Security number	Date of birth
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3. Subsequent beneficiary claim - list the first beneficiary's information whose death initiated the subsequent beneficiary's claim, if applicable.

Name (first, middle initial, last)

Date of birth	Date of death	Social Security number
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NOT FDIC/NCUA INSURED, MAY LOSE VALUE INCLUDING LOSS OF PRINCIPAL, NO BANK/CU GUARANTEE, NOT A DEPOSIT, NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY.

4. Type of beneficiary – Check Option 1 or Option 2

Indicate the type of beneficiary that you are and choose a disbursement option if applicable:

<input type="checkbox"/> Option 1 – Eligible Beneficiary	
<input type="checkbox"/> Spouse	<input type="checkbox"/> Minor child
<input type="checkbox"/> Individual who is older than or not more than 10 years younger than the original IRA holder	<input type="checkbox"/> Disabled/Chronically ill ¹
<input type="checkbox"/> Subsequent beneficiary of a previous eligible beneficiary (or if the original IRA account holder died prior to January 1, 2020)	
¹ Documentation of disabled or chronically ill status is required to issue the account. Please submit an Inherited IRA Attending Physician Statement form.	
Disbursement options for eligible beneficiary	
When the original IRA account holder's date of death was before April 1st of the year after they turned 72, or the account is a Roth IRA:	When the original IRA account holder's date of death was after April 1st of the year after they turned 72:
Please choose one option: <input type="checkbox"/> Life Expectancy Payments – Payments will be calculated based on the IRS single life expectancy table. Also complete sections 5-8 of this form. <input type="checkbox"/> 10-Year Deferral – No distributions are required in years 1-9. Year 10 will require a full disbursement of any remaining value in the account by December 31st of that year. If you would like to take disbursements in years 1-9, a Partial Withdrawal form will need to be completed.	The eligible beneficiary will receive Life Expectancy Payments. Payments will be calculated based on the IRS single life expectancy table. Complete sections 5-8 of this form. If not completed, the disbursements will be set up as an annual payment using the first available disbursement date.
Minor Child Eligible Beneficiary will receive Life Expectancy Payments until age 31; at which point the account will require a full disbursement of any remaining value in the account by December 31st of that year.	
Subsequent Eligible Beneficiary will receive a 10-year deferral from the first beneficiary's date of death . Please reference the additional acceptance and disclosure information on page 3 for details regarding a 10-year deferral.	

<input type="checkbox"/> Option 2 – Designated Beneficiary – You are a designated beneficiary if you are a beneficiary type that is not listed in the Eligible Beneficiary section.	
Designated Beneficiaries will receive a 10-year deferral	
When the original account holder's date of death was before April 1st of the year after they turned 72, or the account is a Roth IRA:	When the original IRA account holder's date of death was after April 1st of the year after they turned 72:
Distributions are not required in years 1-9. Year 10 will require a full disbursement of any remaining value in the account by December 31st of that year. If you would like to take disbursements in years 1-9, please fill out and return a completed Partial Withdrawal form.	Distributions are required in years 1-9. Payments in years 1-9 will be calculated based on the IRS Single life expectancy table. Complete sections 5-8 of this form. If not completed, the disbursements will be set up as an annual payment using the first available disbursement date. Year 10 will require a full disbursement of any remaining value in the account by December 31st of that year.
Subsequent Designated Beneficiary will receive a 10-year deferral from the original IRA account holder's date of death . Please reference the additional acceptance and disclosure information on page 3 for details regarding a 10-year deferral.	

5. Distribution frequency and start date

Based on your type of beneficiary designation, you may have a required disbursement. Please complete this section in the event your designation does include a required disbursement. Details of when disbursements are required can be found on pages 4 and 5. If left blank, the disbursement will be set up as an annual payment using the first available disbursement date.

Distribution frequency:² Elect the frequency you would like to receive your disbursement.

Monthly
 Quarterly
 Semi-Annual
 Annual

Distribution start date:³ _____ (mm/dd/yyyy)

² If more than one frequency is indicated, or no frequency is indicated at all, your request will be set up as annually.

³ Enter the date you would like your inherited disbursement to start. If left blank, we will use the first available disbursement date. Your inherited disbursement cannot be processed after the 28th of any month. This date indicates the day the request will process and you will receive your payment in your bank account or check by mail 5-7 days later. **Note:** If you are currently set up for receiving scheduled systematic withdrawals, this disbursement must be set for 12/28 annually. If you elect a date other than 12/28, or elect an option other than receiving the withdrawal annually, the start date will default to an annual inherited disbursement on 12/28.

6. Federal election of withholding

See the instructions on pages 6-7 and Marginal Rate Tables for additional information.

Your withholding rate is determined by the type of payment you will receive.

- For non-periodic payments, the default withholding rate is 10%. You can choose to have a different rate withheld by entering a rate between 0% and 100%. Generally, you can't choose less than 10% for payments to be delivered outside the United States and its possessions.
- For an eligible rollover distribution, the default withholding rate is 20%.

I would like the default withholding rate.

I would like a rate of withholding that is different from the default withholding rate.

_____ % Enter the rate (percent) as a whole number (enter a rate between 0% and 100%, no decimals).

7. State election of withholding

Important state tax withholding information: If you reside in a state that requires tax withholding, we will withhold state income tax in accordance with the respective state's rules.

Withhold state taxes - (select yes or no)

No Yes _____ %

8. Distribution options

If no election is indicated, funds will be sent via EFT to the banking information on file for a disbursement. If no banking information is on file, a check will be mailed to you at the address of record.

Send check via regular mail

Send funds via electronic funds transfer (EFT) – I authorize Midland National to automatically deposit this withdrawal into the account that is currently on file. To add or update banking information, please provide either a voided check or a bank letter showing the account holder's name, bank account number, and routing number, signed by the bank. A check may be mailed if the above requirements are not met. Should an inappropriate deposit be made, the financial institution is authorized to make a debit entry to your account and return the corrected amount to Midland National.

9. Acknowledgement and signature

I hereby acknowledge that the information provided herein is to the best of my knowledge true and accurate. I also acknowledge that this form must be fully completed, and failure to complete any portion of this form may delay the processing of the request.

Taxpayer certification. Under penalties of perjury, my signature certifies that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me);
2. I am not subject to backup withholding because (a) I am exempt from backup withholding, (b) I have not been notified by the Internal Revenue Service that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding;
3. I am a U.S. citizen or U.S. resident alien; and
4. I am exempt from Foreign Account Tax Compliance Act (FATCA) reporting.

CA Residents: For your protection, California law requires the following to appear on this form:

Any person who knowingly presents false or fraudulent information to obtain or amend insurance coverage or to make a claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

Account Holder signature/assignee	Date (mm/dd/yyyy)

Securities distributed by Sammons Financial Network®, LLC., member FINRA. Sammons Institutional Group®, Inc. provides administrative services. Sammons Financial Network®, LLC., and Sammons Institutional Group®, Inc. are wholly owned subsidiaries of Sammons® Financial Group, Inc. Sammons Retirement Solutions® is a division of Sammons Institutional Group®, Inc.

Sammons Financial Network®, LLC., member FINRA, Sammons Institutional Group®, Inc., and Sammons Retirement Solutions® do not give tax, legal, or investment advice. Please consult with and rely on your own tax, legal, or investment professional(s). Taxes are payable upon withdrawal of funds, and a 10% IRS penalty may apply to withdrawals prior to age 59½.



Inherited IRA distribution option information

Product Availability

- If life expectancy payments are elected, a product cannot be selected where the surrender schedule length exceeds the remaining life expectancy.
- If the account must be withdrawn in 10 years from the date of death, a product cannot be selected where the early withdrawal charge exceeds time from issue date to 10 years from date of death of the applicable death (see below).

Required forms

If one death (original IRA account holder)

- If death occurred prior to January 1, 2020, use the Inherited IRA Distribution option (on or before December 31, 2019) form.
- If death occurred after December 31, 2019, use the Inherited IRA Distribution option (after December 31, 2019) form.

If two deaths (original IRA account holder and first Beneficiary)

- If **both** deaths occurred prior to January 1, 2020, use the Inherited IRA Distribution (on or before December 31, 2019) form.
- If the second death occurred after December 31, 2019, use the Inherited IRA Distribution option (after December 31, 2019) form.

If you are an eligible Beneficiary due to disability or chronic illness, the Inherited IRA Attending Physician Statement form is **also** required.

Section 1 – Original depositor – Enter the deceased original IRA account holder's personal information here. This is the first person that owned the IRA account.

Section 2 – Inherited IRA new account holder – Enter your personal information as the new inherited IRA account holder.

Section 3 – Subsequent beneficiary claim – this will only be used if there have been two previous account holders that are deceased. Enter the second deceased's personal information here. This is the second person (first beneficiary) that owned the IRA account.

- If there are three or more deaths (original IRA account holder, first beneficiary, and successor beneficiary), we cannot issue an Inherited IRA.

Section 4 – Type of beneficiary – The type of beneficiary is determined by your relation to the deceased, age, or health.

Option 1: Eligible Beneficiary

- **Spouse**
- **Minor child** – this includes biological children under the age of 21 in the year of the original IRA account holder's death. When the child reaches age 21, the account must be fully disbursed by December 31 of the year they turn 31.
- **Individual who is older than the original IRA account holder** – this is for any individual that meets this requirement.
- **Individual who is not more than 10 years younger than the original IRA account holder** – this is for any individual that meets this requirement.
- **Disabled/chronically ill** – documentation for proof of disabled and chronically ill status that is signed by a licensed health care practitioner is required to issue the account. For this documentation, please provide your physician the Inherited IRA Attending Physician Statement form to complete. Please return the completed form to our office.
- **Subsequent beneficiary** – a subsequent beneficiary is the beneficiary of an already inherited account. If the previous beneficiary of the original IRA holder was an eligible beneficiary or if the original IRA account holder died **prior** to January 1 of 2020, the subsequent beneficiary should mark the eligible beneficiary option 1.

Option 2: Designated Beneficiary

- You are a designated beneficiary if you do not meet one of the eligible beneficiary descriptions above.
- **Subsequent beneficiary** – a subsequent beneficiary is the beneficiary of an already inherited account. If the previous beneficiary of the original IRA account holder was a designated beneficiary, the subsequent beneficiary should mark the designated beneficiary option 2.

Section 5-8 – Distribution options – the distribution options differ based on the type of beneficiary and if the original account holder's date of death was before or after the required minimum distribution begin date.

Required Minimum Distribution (RMD) Date/Required Begin Date (RBD) – this is the date the original account holder was required to start taking required minimum distributions.

- If born on or after 07/01/1949, the Required Begin Date is April 1st following the calendar year the original account holder attained age 72.
- There is no Required Begin Date (RBD) for Roth IRAs, and they would follow the rules for when the original IRA account holder's date of death was before April 1st of the year following the year they would have attained age 72; outlined below.

Inherited Roth IRA

- If you inherit a Roth IRA from someone other than your spouse, you are considered an eligible designated beneficiary and you may elect life expectancy or the 10-year method.

Eligible Beneficiary (other than Minor Child)

- **When the original IRA account holder's date of death was before April 1st of the year following the year they would have attained age 72; or the account is a Roth IRA**, the eligible beneficiary can choose one of two options:
 - Life Expectancy Payments – Payments will be calculated based on the IRS single life expectancy table. Please be sure to complete sections 5-8 of this form.
 - 10-year Deferral – No distributions are required in years 1-9. Year 10 will require a full disbursement of any remaining value in the account by December 31st of that year. If you would like to take disbursements in years 1-9, please fill out and return a completed Partial Withdrawal form.
- **When the original IRA account holder's date of death was after April 1st of the year following the year they attained age 72**; the eligible beneficiary will receive Life Expectancy Payments. Payments will be calculated based on the IRS single life expectancy table. Please be sure to complete sections 5-8 of this form. If distribution sections are not completed, the disbursements will be set up as an annual payment using the first available disbursement date.
- **Minor Child Eligible Beneficiary**
 - The minor child eligible beneficiary will receive Life Expectancy Payments until age 31, at which point the account will require a full disbursement of any remaining value in the account by December 31st of that year.

Designated Beneficiary

- **When the original IRA account holder's date of death was before April 1st of the year following the year they would have attained age 72; or the account is a Roth IRA**, the designated beneficiary will receive a 10-year deferral.
 - Distributions **are not** required in years 1-9. Year 10 will require a full disbursement of any remaining value in the account by December 31st of that year. If you would like to take disbursements in years 1-9, please fill out and return a completed Partial Withdrawal form.
- **When the original IRA account holder's date of death was after April 1st of the year following the year they attained age 72**; the designated beneficiary will receive a 10-year deferral.
 - Distributions **are** required in years 1-9. Payments in years 1 through 9 will be calculated based on the IRS Single life expectancy table. Please be sure to complete sections 5-8 of this form. If distribution sections are not completed, the disbursements will be set up as an annual payment using the first available disbursement date.
 - Year 10 will require a full disbursement of any remaining value in the account by December 31st of that year. If you would like to take a disbursement in years 1-9 that is larger than the IRS calculated amount, please fill out and return a completed Partial Withdrawal form.

Subsequent Beneficiary

- The subsequent beneficiary will receive a 10-year deferral.
- Distributions **are** required in years 1-9 if the original IRA account holder reached the Required Begin Date (RBD).
 - Payments that are required in years 1-9 will be calculated based on the IRS Single life expectancy table. Please be sure to complete sections 5-8 of this form.
 - If you would like to take a disbursement in years 1-9 **that is larger than the IRS calculated amount**, please fill out and return a completed Partial Withdrawal form.
 - If you are **not required to take a disbursement in years 1-9** but would like to take withdrawals, please fill out and return a completed Partial Withdrawal form.
- Year 10 will require a full disbursement of any remaining value in the account by December 31st of that year.
 - **When the original account holder was an Eligible beneficiary or passed away prior to Jan 1, 2020**; the 10-year deferral window will start from the first beneficiary's date of death.
 - **When the original account holder was a Designated beneficiary**; the 10-year deferral window will start from the original IRA account holder's date of death.

General Instructions and Marginal Rate Tables for withholding for non-periodic payments and eligible rollover distributions.

Use the information provided on pages 6-7 to guide you in completing withholding section 6, page 3.

General Instructions

Section references are to the Internal Revenue Code.

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 - Complete section 6, page 3, to have payers withhold the correct amount of federal income tax from any non-periodic payment or eligible rollover distribution from an employer retirement plan, annuity (including a commercial annuity), or individual retirement account (IRA). See pages 6-7 for the rules and options that are available for each type of payment.

Caution - If you have too little tax withheld, you will generally owe tax when you file your tax return, and you may also 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 non-periodic 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.

2024 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 the following page 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%
14,600	10%	29,200	10%	21,900	10%
26,200	12%	52,400	12%	38,450	12%
61,750	22%	123,500	22%	85,000	22%
115,125	24%	230,250	24%	122,400	24%
206,550	32%	413,100	32%	213,850	32%
258,325	35%	516,650	35%	265,600	35%
623,950*	37%	760,400	37%	631,250	37%

* If married filing separately, use \$380,200 instead for this 37% rate.

For Privacy Act and Paperwork Reduction Act Notice, see page 7.

Non-periodic 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 in section 6, page 3. 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-”. 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 possessions.

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 2024, 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% in section 6, page 3. 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: (a) qualifying “hardship” distributions, and (b) distributions required by federal law, such as required minimum distributions. See Pub. 505 for details. See also *Non-periodic 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-” in section 6, page 3. See Pub. 3920, Tax Relief for Victims of Terrorist Attacks, for more details.

Specific Instructions

For an estate, enter the estate's employer identification number (EIN) in the area reserved for "Social Security number."

More withholding - If you want more than the default rate withheld from your payment, you may enter a higher rate in section 6, page 3.

Less withholding (non-periodic payments only) - If permitted, you may enter a lower rate in section 6, page 3 (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 6 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 in section 6, page 3. (*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 in section 6, page 3. (*See Example 2 below.*)

If you prefer a simpler approach (but one that may lead to over withholding), find the rate that corresponds to your total income including the payment and enter that rate in section 6, page 3.

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 \$62,000 without the payment. Step 1: Because your total income without the payment, \$62,000, is greater than \$61,750 but less than \$115,125, the corresponding rate is 22%. Step 2: Because your total income with the payment, \$82,000, is greater than \$61,750 but less than \$115,125, the corresponding rate is 22%. Because these two rates are the same, enter "22" in section 6, page 3.

Example 2 - You expect your total income to be \$43,700 without the payment. Step 1: Because your total income without the payment, \$43,700, is greater than \$26,200 but less than \$61,750, the corresponding rate is 12%. Step 2: Because your total income with the payment, \$63,700, is greater than \$61,750 but less than \$115,125, the corresponding rate is 22%. The two rates differ. \$18,050 of the \$20,000 payment is in the lower bracket (\$61,750 less your total income of \$43,700 without the payment), and \$1,950 is in the higher bracket (\$20,000 less the \$18,050 that is in the lower bracket). Multiply \$18,050 by 12% to get \$2,166. Multiply \$1,950 by 22% to get \$429. The sum of these two amounts is \$2,595. This is the estimated tax on your payment. This amount corresponds to 13% of the \$20,000 payment (\$2,595 divided by \$20,000). Enter "13" in section 6, page 3.

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 non-periodic payment(s) or eligible rollover distribution(s); (b) choose not to have federal income tax withheld from your non-periodic 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 non-periodic 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 of 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 possessions 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.