



PO Box 268
 Jefferson City, MO 65102-0268
 (573) 634-5290 or
 Toll Free: (800) 392-6848
 Fax: (573) 634-7934
 Email: psrspeers@psrspeers.org
 Website: www.psrs-peers.org

PARTIAL LUMP SUM OPTION (PLSO) DISTRIBUTION ELECTION

Complete this form **only** if you are choosing the Partial Lump Sum Option (PLSO).

- You **must** complete sections A, B, C and F. Section D is optional.
- If you are completing a rollover, your financial institution **must** complete Section E.
- Generally, 20% of the taxable distribution not directly rolled over will be withheld for federal income taxes. If you would like additional federal income tax withholding (or a different (or zero) federal income tax withholding rate for the portion of the distribution attributable to an IRS Required Minimum Distribution), complete the enclosed IRS Form W-4R.
- Choose the PLSO plan that matches the choice you made on your *Service Retirement Application*.
- Sign and return both pages of this completed form to the Public School Retirement System of Missouri (PSRS) along with your completed IRS Form W-4R, if applicable.
- Please keep a copy of this form for your records.

SECTION A MEMBER INFORMATION				
First Name		Middle Name		Last Name
Member ID (or Last Four Digits of Your Social Security Number)		Account ID		Telephone ()
Mailing Address		City	State	ZIP
Email Address				

SECTION B PLSO PLAN		
Place an "X" in the box beside the PLSO plan you are choosing.		
<input type="checkbox"/> 12-Month	<input type="checkbox"/> 24-Month	<input type="checkbox"/> 36-Month

SECTION C PAYMENT OPTION							
Choose one payment option below.							
<input type="checkbox"/> Payment to Member	I want the entire lump-sum payment directly deposited into the same account and financial institution as my monthly retirement benefit. Please see Section D for tax withholding options.						
<input type="checkbox"/> Combination Rollover and Payment to Member IMPORTANT: Choose an option for taxable and non-taxable funds.	I want the lump-sum payment divided as indicated below: <table border="0" style="width: 100%;"> <tr> <th style="text-align: center;">Taxable Funds</th> <th style="text-align: center;">Non-Taxable Funds</th> </tr> <tr> <td> <input type="checkbox"/> 100% Rollover – I want all taxable funds rolled over to the financial institution named in Section E. </td> <td> <input type="checkbox"/> 100% Payment to Member – I want all non-taxable funds directly deposited into the same account and financial institution as my monthly retirement benefit. </td> </tr> <tr> <td> <input type="checkbox"/> \$ _____ or _____ % Rollover – I want this portion of my taxable funds rolled over to the financial institution named in Section E. </td> <td> <input type="checkbox"/> 100% Rollover – I want all non-taxable funds rolled over to the financial institution named in Section E. </td> </tr> </table>	Taxable Funds	Non-Taxable Funds	<input type="checkbox"/> 100% Rollover – I want all taxable funds rolled over to the financial institution named in Section E.	<input type="checkbox"/> 100% Payment to Member – I want all non-taxable funds directly deposited into the same account and financial institution as my monthly retirement benefit.	<input type="checkbox"/> \$ _____ or _____ % Rollover – I want this portion of my taxable funds rolled over to the financial institution named in Section E.	<input type="checkbox"/> 100% Rollover – I want all non-taxable funds rolled over to the financial institution named in Section E.
	Taxable Funds	Non-Taxable Funds					
	<input type="checkbox"/> 100% Rollover – I want all taxable funds rolled over to the financial institution named in Section E.	<input type="checkbox"/> 100% Payment to Member – I want all non-taxable funds directly deposited into the same account and financial institution as my monthly retirement benefit.					
	<input type="checkbox"/> \$ _____ or _____ % Rollover – I want this portion of my taxable funds rolled over to the financial institution named in Section E.	<input type="checkbox"/> 100% Rollover – I want all non-taxable funds rolled over to the financial institution named in Section E.					
AND I also want the remaining funds directly deposited into the same account and financial institution as my monthly retirement benefit. I understand that PSRS will withhold 20% federal tax on any taxable funds not included in the rollover, unless I elect additional withholding on Form W-4R, and additional penalties may apply. Please see Section D for Missouri tax withholding options.							

PARTIAL LUMP SUM OPTION (PLSO) DISTRIBUTION ELECTION

SECTION D MISSOURI INCOME TAX WITHHOLDING

Missouri Income Taxes (Missouri Residents Only)
 I wish to withhold Missouri income tax from my payment. No Missouri withholding \$ _____ (Minimum of \$10)

SECTION E FINANCIAL INSTITUTION CERTIFICATION FOR A ROLLOVER OF FUNDS

This section should only be completed by an official of the financial institution to which you are rolling the lump-sum payment. All information must be provided to prevent a delay of payment. Do not complete this section if you are choosing the Payment to Member Option.

Financial Institution Official, please note:

- Non-taxable funds cannot be rolled into a designated Roth account in an employer plan or a 457 plan.
- PSRS will issue only one rollover check and the financial institution must track taxable and non-taxable funds separately to avoid additional taxes on future non-taxable distributions.

Type of Account (Place an "X" in the appropriate box below.)

- | | |
|---|---|
| <input type="checkbox"/> Traditional IRA per IRC 408(a) or 408(b) | <input type="checkbox"/> Tax Sheltered Annuity under IRC 403(b) |
| <input type="checkbox"/> Roth IRA per IRC 408(a) or 408(b) | <input type="checkbox"/> Eligible Plan under IRC 457(b) maintained by a state or local government |
| <input type="checkbox"/> Qualified Plan per IRC 401(a) or 403(a) | <input type="checkbox"/> Other [401(k)] |

A check will be made payable and mailed to the financial institution listed below:

Name of Financial Institution										Telephone ()				
Mailing Address														
City					State					ZIP				
Account Number (PLSO distribution can only be sent to one account.)														

Signature of Official (REQUIRED)

X

Printed Name and Title of Official										Date				
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SECTION F MEMBER AUTHORIZATION

I hereby choose the Partial Lump Sum Option (PLSO) as indicated by the completion of this form. I understand by choosing a PLSO plan, my lifetime monthly benefit will be actuarially reduced. I cannot change this election after my retirement date.

I have read and understand the brochure, *Your Rollover Options*, and further understand the following about taxes:

- A mandatory 20% federal tax withholding applies to the taxable funds paid to me.
- An additional 10% early distribution tax may apply if I am younger than 59 ½ years of age.
- A Required Minimum Distribution (RMD) applies if I turn age 70 ½ on or before December 31, 2019 or during the tax year in which this payment occurs. If I turn age 70 ½ after December 31, 2019, the RMD applies if I turn age 72 or older before or during the tax year in which this payment occurs. If either of these situations applies to me, PSRS will make the required payment directly to me, less 10% for federal tax withholding.
- Non-taxable funds rolled over to a qualified retirement plan should be tracked separately by the financial institution to avoid additional taxes being withheld at the time of withdrawal.

If utilizing direct deposit:

I hereby appoint the bank/financial institution designated as my agent to receive and collect the amount payable to me from PSRS for the purpose of making an electronic funds transfer to my account in that institution. This authorization is not an assignment of my rights to receive such payment and I certify that my name, or the name of my revocable trust is on the account listed, and I have direct access to the funds held in my account in the financial institution. I understand that my authorization cannot be revoked by contacting the financial institution. I also permit the release by the bank or financial institution of my current address, names and current addresses of all persons listed on the account, and names and current addresses of all beneficiaries on the account, including, but not limited to those listed as "payable on death" or "transfer on death" to PSRS.

Member Signature (REQUIRED)										Date				
X														

Withholding Certificate for Nonperiodic Payments and Eligible Rollover Distributions

Department of the Treasury
Internal Revenue Service

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

2023

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	_____ Your signature (This form is not valid unless you sign it.)	_____ Date
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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 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.

2023 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	
<i>Total income over—</i>	Tax rate for every dollar more	<i>Total income over—</i>	Tax rate for every dollar more	<i>Total income over—</i>	Tax rate for every dollar more
\$0	0%	\$0	0%	\$0	0%
13,850	10%	27,700	10%	20,800	10%
24,850	12%	49,700	12%	36,500	12%
58,575	22%	117,150	22%	80,650	22%
109,225	24%	218,450	24%	116,150	24%
195,950	32%	391,900	32%	202,900	32%
245,100	35%	490,200	35%	252,050	35%
591,975*	37%	721,450	37%	598,900	37%

* If married filing separately, use \$360,725 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 2023, 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: (a) qualifying “hardship” distributions, and (b) distributions required by federal law, such as required minimum 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 \$60,000 without the payment. Step 1: Because your total income without the payment, \$60,000, is greater than \$58,575 but less than \$109,225, the corresponding rate is 22%. Step 2: Because your total income with the payment, \$80,000, is greater than \$58,575 but less than \$109,225, 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 \$42,500 without the payment. Step 1: Because your total income without the payment, \$42,500, is greater than \$24,850 but less than \$58,575, the corresponding rate is 12%. Step 2: Because your total income with the payment, \$62,500, is greater than \$58,575 but less than \$109,225, the corresponding rate is 22%. The two rates differ. \$16,075 of the \$20,000 payment is in the lower bracket (\$58,575 less your total income of \$42,500 without the payment), and \$3,925 is in the higher bracket (\$20,000 less the \$16,075 that is in the lower bracket). Multiply \$16,075 by 12% to get \$1,929. Multiply \$3,925 by 22% to get \$863.50. The sum of these two amounts is \$2,792.50. This is the estimated tax on your payment. This amount corresponds to 14% of the \$20,000 payment (\$2,792.50 divided by \$20,000). Enter “14” 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.



PUBLIC SCHOOL & EDUCATION EMPLOYEE
RETIREMENT SYSTEMS OF MISSOURI

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Email: psrspeers@psrspeers.org
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Completing IRS Form W-4R Frequently Asked Questions

Q: When Do I Need to File IRS Form W-4R?

A: Complete and return the IRS Form W-4R if you want more than the required federal income tax withheld from your payment.

The Internal Revenue Service (IRS) requires PSRS/PEERS to withhold 20% federal income tax on any taxable portion of your lump-sum payment (\$200 or greater) not directly rolled over into a qualified retirement plan. If any portion of your payment is an IRS Required Minimum Distribution (RMD) payment, 10% will be withheld unless you elect a different amount on Form W-4R.

Q: What if I don't want any additional federal income tax withheld?

A. We will automatically withhold the required 20%, if applicable. If you don't want any additional withholding, no action is required on your part.

Q. What happens if I don't submit an IRS Form W-4R?

A. We will automatically withhold the required 20%, if applicable.

Q. How do I know if I need to have additional federal income tax withheld from my lump-sum payment?

A. That depends on your personal financial situation. We recommend that you speak with your tax professional or the IRS to determine the tax withholding strategy best for you. The instructions included with the IRS Form W-4R also include information that may help you make this determination.

Q. How do I request Missouri income tax withholding from my lump-sum payment?

A. You can request Missouri income tax withholding from your lump-sum payment on your application or rollover certification form.