



# WITHHOLDING NOTICE AND ELECTION

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Use this form to make or change your federal withholding election on your IRA when you want to receive a distribution (withdrawal) from your IRA with STRATA Trust Company ("STRATA").

## SECTION 1

## ACCOUNT INFORMATION

Accountholder Name		Account Number		
Social Security Number (Last 4 Digits Only)		Birthdate		
Address of Record		City	State	Zip
Daytime Phone		Email Address		
Account Type	<input type="checkbox"/> Traditional <input type="checkbox"/> Roth <input type="checkbox"/> SEP <input type="checkbox"/> SIMPLE			

### Withholding Notice

As your IRA custodian, STRATA is required by Federal income tax regulations to provide you with the notice regarding your IRA with our organization from which you are receiving payments. Any distributions you receive from an IRA are subject to Federal income tax withholding, unless you exercise your right and elect not to have withholding apply.

- You have previously elected not to have Federal income tax withholding apply to distributions you receive from your IRA.
- You have previously elected to have Federal income tax withholding apply to distributions at a designated percentage.
- You have also elected to have additional Federal Income Tax withheld from each distribution.
- You have previously elected to have a designated percentage of State Income Tax withheld from each distribution you receive.

Your election to have withholding apply or to waive withholding stays in effect until you change it. You may change or revoke your election at any time and as often as you wish by making a new withholding election. You must understand that you may incur tax penalties under the estimated tax payments rules if your payments of the estimated tax and withholding are insufficient.

Please read this form completely. To change your withholding election, complete and sign in Section 3 of this form.

If you are a nonresident alien, do not complete this form. Nonresident aliens must complete and submit IRS Form W8-BEN.

**If you want your election to remain unchanged, you do not need to do anything at this time. However, if you wish to change or revoke your previous election, please complete the appropriate election in Section 2, sign and date this form, and return it to us. If you wish, you may keep a copy for your records.**

## SECTION 2

## WITHHOLDING ELECTIONS

### Federal Withholding Election (Fee Applies – see IRA Fee Schedule)

<input type="checkbox"/>	I elect <b>NOT</b> to have Federal Income Tax withheld.
<input type="checkbox"/>	I elect to have Federal Income Tax withheld at a flat 10% rate.
<input type="checkbox"/>	I elect to have Federal Income Tax withheld in the amount of \$ _____, which is more than the 10% rate.
<input type="checkbox"/>	I elect to have Federal Income Tax withheld at a _____% rate.

**Client Services** 866.928.9394 | Service@StrataTrust.com | Online: [www.StrataTrust.com/Service-Request](http://www.StrataTrust.com/Service-Request)

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State Withholding Election (Fee Applies – see IRA Fee Schedule)	
<input type="checkbox"/>	I elect <b>NOT</b> to have State Income Tax withheld.
<input type="checkbox"/>	I elect to have State Income Tax withheld per the attached State Income Tax and Withholding Information sheet. <b>If you live in a voluntary state you must provide a specific amount or percentage below.</b>
<input type="checkbox"/>	I elect to have State Income Tax withheld in the amount of \$ _____, which is more than the listed minimum.
<input type="checkbox"/>	I elect to have State Income Tax withheld at a _____ % rate, which is more than the listed minimum.

## Withholding Notice Information:

**Basic Information.** Generally, federal income tax withholding applies to payments made from pension, profit sharing, stock bonus, annuity and certain deferred compensation plans, IRAs and commercial annuities.

**Purpose of Form W-4P.** Unless you elect otherwise, federal income tax will be withheld from payments from IRAs. You can use IRS Form W-4P or a substitute form, such as that contained on this form, furnished by STRATA, to instruct STRATA to withhold no tax from your IRA payments (or to revoke a previous election).

A U.S. citizen or resident alien may not waive withholding on any distribution delivered outside of the U.S. or its possessions. Distributions to a nonresident alien are generally subject to a tax withholding rate of 30 percent. A reduced withholding rate, including exemption, may apply if there is a tax treaty between the nonresident alien's country of residence and the United States, and the nonresident alien submits Form W8-BEN, *Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding*, or satisfies the documentation requirements as provided under the regulations.

For more information, please see Publication 505, *Tax Withholding and Estimated Tax*, and Publication 515, *Withhold of Tax on Nonresident Aliens and Foreign Entities*, available from most IRS offices.

Caution: Remember that there are penalties for not paying enough tax during the year, through either withholding or estimated tax payments. New retirees should see Publication 505. It explains the estimated tax requirements and penalties in detail. You may be able to avoid quarterly estimated tax payments by having enough tax withheld from your IRA using IRS Form W-4P.

**Statement of Income Tax Withheld from Your IRA.** By January 31 of next year, you will receive a statement from STRATA showing the total amount of your IRA payments and the total federal income tax withheld during the year. Copies of Form W-4P will not be sent to the IRS by STRATA.

## SECTION 3 ACCOUNTHOLDER SIGNATURE

By signing this form, I acknowledge that I have read and understand the **Withholding Notice Information** and that STRATA is not responsible for determining the appropriateness of the withholding election. I also understand that my federal withholding election is applicable to any subsequent scheduled distributions until I revoke the election under the procedure established by STRATA. STRATA may rely on the certification without further investigation or inquiry and shall incur no liability for this distribution request or its processing.



Accountholder Signature

Date

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## STATE INCOME TAX INFORMATION

Elections regarding dollar amount and specific percentages may be made for residents of some states by completing the appropriate section of the distribution form. Certain states will require a minimum percentage or flat dollar amount. The minimum state-required amount will be withheld when applicable. All state withholding amounts will be rounded up to the nearest whole dollar.

Note: Rates subject to change without notice.

STATE OF RESIDENCE	STATE INCOME TAX WITHHOLDING INFORMATION
AK, FL, HI, NH, NV, SD, TN, TX, WA, WY	No state income tax will be withheld for residents of these states.
AL, AZ, CO, GA, ID, IL, IN, KY, LA, MO, MN, MS, MT, ND, NJ, NM, NY, OH, PA, RI, SC, UT, WI, WV	State income tax is voluntary.
AR, CT, DC, IA, KS, MA, MD, ME, NC, NE, OK, VA, VT	<p>State income tax withholding is required if federal withholding has been elected. Specific state information is listed below.</p> <p>AR: 3.00% of the distribution amount</p> <p>CT: 6.99% of the distribution amount</p> <p>DC: 8.95 % of the distribution amount</p> <p>IA: 5.00% of the distribution amount</p> <p>KS: 5.00% of the distribution amount</p> <p>MA: 5.10% of the distribution amount</p> <p>MD: 7.75% of the distribution amount</p> <p>ME: 5.00% of the distribution amount</p> <p>NC: 4.00% of the distribution amount</p> <p>NE: 5.00% of the distribution amount</p> <p>OK: 5.00% of the distribution amount</p> <p>VA: 4.00% of the distribution amount</p> <p>VT: 2.40% of the distribution amount</p>
CA, DE, MI, OR	<p>State income tax withholding is required when federal withholding applies, unless opted out specifically by the client. Specific state information listed below.</p> <p>CA: 1.00% of the distribution amount</p> <p>DE: 5.00% of the distribution amount</p> <p>MI: 4.25% of the distribution amount</p> <p>OR: 8.00% of the distribution amount</p>

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