



# RSA-1 and PEIRAF Participant Distribution Packet

## Periodic Payments

This participant packet contains information and forms to complete the periodic distribution process. Once RSA-1 receives all of the required forms, RSA-1 will process your request in the next available payroll. Please submit your original notarized documents to RSA-1. If you wish to receive non-periodic payments, please refer to the separate distribution packet for lump-sum or partial lump-sums.



### START TODAY

This packet includes the following forms:

- » **RSA-1 REQUEST FOR PERIODIC PAYMENTS**
- » **FORM W-4P, WITHHOLDING CERTIFICATE FOR PERIODIC PENSION OR ANNUITY PAYMENTS**
- » **RSA-1 DIRECT DEPOSIT AUTHORIZATION**
- » **SPECIAL TAX NOTICE REGARDING YOUR ROLLOVER OPTIONS**
- » **RSA-1 SPECIAL TAX NOTICE REGARDING YOUR DISTRIBUTION**



### CONTACT US

Please contact RSA-1 at 877.517.0020 if you have any questions.

- Make sure RSA-1 has your current preferred mailing address. Members may change their mailing address online at <https://mso.rsa-al.gov> or by completing the ADDRESS CHANGE NOTIFICATION form found on our website or requested from Member Services.



## FORM INSTRUCTIONS

1. Complete the REQUEST FOR PERIODIC PAYMENTS form.
2. Please refer to FORM W-4P, WITHHOLDING CERTIFICATE FOR PERIODIC PENSION OR ANNUITY PAYMENTS for tax withholding requirements.
3. There are three distribution options for withdrawing funds based on a periodic basis for RSA-1/PEIRAF accounts. Please see further information below.
4. Complete FORM W-4P, WITHHOLDING CERTIFICATE FOR PERIODIC PENSION OR ANNUITY PAYMENTS.
5. Complete the RSA DIRECT DEPOSIT AUTHORIZATION form.
6. Read the SPECIAL TAX NOTICE REGARDING YOUR ROLLOVER OPTIONS and the RSA-1 SPECIAL TAX NOTICE REGARDING YOUR DISTRIBUTION.

## OPTIONS

- A. **Fixed Time Period:** This option provides monthly, quarterly, semiannual, or annual payments for the time period selected by the participant. You can only select Account Types for this distribution option.
- B. **Fixed Dollar Amount:** This option provides monthly, quarterly, semiannual, or annual payments of a specified dollar amount.
- C. **Required Minimum Distribution (RMD):** Participants who are age 73 or older, and no longer employed, must start an RMD as required by Section 457 of the Internal Revenue Code.

## IMPORTANT INFORMATION

- » Payments are issued the last business day of the month.
- » You do not pay income taxes on your investment earnings until such earnings are withdrawn from RSA-1.
- » You can cancel your periodic distribution online or by submitting this form. There is no notary required for cancellation.
- » Distributions are subject to the withholding rules applicable to qualified plans. Deferred income and investment earnings distributed from RSA-1 will be taxed to the employee or beneficiary as ordinary income in the year of distribution and are reported on a FORM 1099-R in the year of distribution.
- » Distributions from Pre-tax funds, Roth funds, and PEIRAF funds will be issued separately.

- » If money is distributed from a Roth account during the first five years, you will incur a tax liability if no exception applies. Otherwise, qualified distributions from a Roth account are not taxable.
- » Visit our website for monthly and historical returns or contact RSA-1.

## ELIGIBILITY

### RSA-1 Accounts:

- » You must be separated from service to receive a distribution payment from your RSA-1 account(s). All non-Roth RSA-1 distributions are subject to federal income tax liability. A portion may also be subject to Alabama income tax.
- » Participants who are age 73 or older and no longer employed must start a RMD as required by Section 457 of the Internal Revenue Code.
- » Current IRS regulations require that the first RMD payment begin no later than April 1 of the calendar year following the calendar year in which the participant attains the minimum required age or separates from service, whichever is later.

### Return to Work:

- » If you return to work on a full-time basis with your employer or another employer eligible to participate in RSA-1, all distributions must cease except for Financial Hardship, Small Balance, and age 70 ½ Voluntary Distributions.
- » If you return to work on a part-time basis with your employer or another employer eligible to participate in RSA-1, you may continue to receive distributions under the fixed time period or fixed dollar amount options provided the election was made prior to returning to work, but no lump-sum or partial lump-sum distributions will be permitted during your part-time employment.

### PEIRAF Accounts:

- » To avoid a tax penalty, you must be at least 59 ½ to receive a distribution payment from PEIRAF accounts.
- » All PEIRAF distributions are subject to federal and Alabama income tax liability.
- » There is no RMD at age 73 for PEIRAF accounts.

### Questions?

- » Visit RSA's website at [www.rsa-al.gov](http://www.rsa-al.gov)
- » Email RSA-1 through the RSA website; click on the "Contact" link at the top of the page
- » Call RSA-1 at 877.517.0020



**Your SSN**

\_\_\_\_\_

**Check one:** ☐ RSA-1 ☐ PEIRAF

**Your Information**

Name \_\_\_\_\_  
First Middle/Maiden Last

Mailing Address \_\_\_\_\_  
Street or P.O. Box City State ZIP Code

Telephone Number \_\_\_\_\_ Email Address \_\_\_\_\_

Date of Birth \_\_\_\_\_ PID (optional) \_\_\_\_\_

**Distribution Eligibility**

**Check one:**

- ☐ I have separated from service as of \_\_\_\_\_ (Month/Year).  
Your employer must complete the Employer Certification section on page 2 if you have separated within the last six months.
- ☐ I am age 70 ½ or older and wish to receive a distribution from my RSA-1 account.
- ☐ I am age 59 ½ or older and wish to receive a distribution from my PEIRAF account.

**Distribution Request**

*Your distribution amount is subject to change depending on the available balance at the time this request is processed.*

*Periodic payments are issued the last business day of the month.*

1. Frequency of Payments (check one) ☐ Monthly ☐ Quarterly ☐ Semiannual ☐ Annually
- Start my Periodic Payments on \_\_\_\_\_ (Month/Year).
2. Type of Periodic Payment (check one)
- ☐ **Fixed Time Period:** Payments paid out over \_\_\_\_\_ years and \_\_\_\_\_ months from the following account type(s).  
\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_
- I understand this election will deplete all balances in my selected accounts over the time period I have specified.**  
Proceed to the Signature Certification section.
- ☐ **Fixed Dollar Amount:** Payments in the amount of \_\_\_\_\_  
Use the chart below to elect your distribution preference.
- ☐ **Start an automatic distribution** to satisfy my RMD for each year.  
Use the chart below to elect your distribution preference.

**For RSA-1 Accounts Only:** Do you wish to set up your RMD based on Joint Life Expectancy? ☐ Yes ☐ No

This only applies to someone taking a RMD whose spousal beneficiary is more than 10 years younger than you.

Spousal Beneficiary Date of Birth \_\_\_\_\_

**Cancellation Request:** Your payments will end as of the month you select, or the date RSA-1 processes your request (if later).

☐ Check here to stop your periodic payments as of \_\_\_\_\_ (Month/Year).

**Available Account Types**

List the account type(s) from which you wish to receive payments. Please specify either a dollar amount **OR** a percentage for each fund from which you wish to receive payments.

Regular Contributions Pre-Tax	Regular Contributions Roth	Regular Contributions PEIRAF
457(b) Transfer Pre-Tax	Transfer/Conversion Roth	DROP Rollover Pre-Tax
PLOP Rollover Pre-Tax	ERIP Rollover Pre-Tax	TSP Rollover Pre-Tax

If you are electing a percentage, each percentage must be a whole number. The total percentage across all funds must equal 100%.

**Account Type Selection**

Choose from the Available Account Types listed above.

*Complete only if you wish to receive a Fixed Amount or RMD payments from specific funds.*

List Account Type	Type of Funds	Dollar Amount	Percent of Fund Balance
	Fixed Income		or
	Equity		or
	STIF		or
	Fixed Income		or
	Equity		or
	STIF		or
	Fixed Income		or
	Equity		or
	STIF		or

*must equal 100%*  
REV 05-2024

# RSA-1 Request for Periodic Payments



Name \_\_\_\_\_ SSN \_\_\_\_\_

## Signature Certification

I have read and understand the RSA-1 SPECIAL TAX NOTICE REGARDING YOUR DISTRIBUTION regarding the distribution of my plan benefits. I attest that the information I provided on this form is true and correct. I understand that I may be subject to civil and criminal liability for any false statement or information provided herein on any resulting distribution from RSA-1 and/or PEIRAF. By signing below, I agree to notify RSA-1 should I become reemployed by my employer or any entity eligible for participation in RSA-1.

**Sign Here →**  
Member

Your Signature \_\_\_\_\_ Date \_\_\_\_\_

State of \_\_\_\_\_, County of \_\_\_\_\_

I, \_\_\_\_\_, a Notary Public, hereby certify that the above named individual whose name is signed to the foregoing document, personally appeared before me and acknowledged under oath that the statements made are true. Given under my hand this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

Seal

Signature of Notary Public \_\_\_\_\_

My Commission Expires \_\_\_\_\_

## Employer Certification

*If this is a state agency reporting unit, do not submit this form to RSA-1 until all warrant cancellations for this participant have been processed by the state comptroller.*

**The Employer Certification section is ONLY for participants who have separated from employment within the last six months.**

Employing Agency \_\_\_\_\_

Last retirement contribution was included in the \_\_\_\_\_ report.  
Month or if state employee, last payroll check issue date

Last RSA-1 deferral was included in the \_\_\_\_\_ report.  
Month or if state employee, last payroll check which included an RSA-1 deferral

Last day for which employee is paid \_\_\_\_\_

Will unused sick or annual leave be deferred to RSA-1? ☐ Yes ☐ No

If Yes, date unused leave will be paid \_\_\_\_\_

If a participant has a bona fide severance from employment with no prearranged re-employment and returns to part-time employment with an employer after a break in service of at least three months, the eligible participant may continue to receive withdrawals under a fixed time period or a fixed dollar amount.

I hereby certify that the final salary payment has been made to the above named participant and that this participant has no further contract, written or oral, to return to employment with this agency.

Name and Title \_\_\_\_\_

Please Print

Telephone Number \_\_\_\_\_ Email Address \_\_\_\_\_

**Sign Here →**  
Payroll Officer

Signature \_\_\_\_\_ Date \_\_\_\_\_

**Withholding Certificate  
for Periodic Pension or Annuity Payments**

Give Form W-4P to the payer of your pension or annuity payments.

**2025****Step 1:  
Enter  
Personal  
Information**

(a) First name and middle initial

Last name

(b) Social security number

Address

City or town, state, and ZIP code

(c) ☐ Single or Married filing separately☐ Married filing jointly or Qualifying surviving spouse☐ Head of household (Check only if you're unmarried and pay more than half the costs of keeping up a home for yourself and a qualifying individual.)

**TIP:** Consider using the estimator at [www.irs.gov/W4App](http://www.irs.gov/W4App) to determine the most accurate withholding for the rest of the year if: you are completing this form after the beginning of the year; expect to receive your payments only part of the year; or have changes during the year in your marital status, number of pensions/jobs for you (and/or your spouse if married filing jointly), dependents, other income (not from jobs or pension/annuity payments), deductions, or credits. Have your most recent payment statements/pay stubs from this year available when using the estimator. At the beginning of next year, use the estimator again to recheck your withholding.

**Complete Steps 2–4 ONLY if they apply to you; otherwise, skip to Step 5.** See pages 2 and 3 for more information on each step, when to use the estimator at [www.irs.gov/W4App](http://www.irs.gov/W4App), and how to elect to have no federal income tax withheld (if permitted).

**Step 2:  
Income  
From a Job  
and/or  
Multiple  
Pensions/  
Annuities  
(Including a  
Spouse's  
Job/  
Pension/  
Annuity)**

Complete this step if you (1) have income from a job or more than one pension/annuity, or (2) are married filing jointly and your spouse receives income from a job or a pension/annuity. **See page 2 for examples on how to complete Step 2.**

Do **only one** of the following.

(a) Use the estimator at [www.irs.gov/W4App](http://www.irs.gov/W4App) for the most accurate withholding for this step (and Steps 3–4). If you or your spouse have self-employment income, use this option; **or**

(b) Complete the items below.

(i) If you (and/or your spouse) have one or more jobs, then enter the total taxable annual pay from all jobs, plus any income entered on Form W-4, Step 4(a), for the jobs less the deductions entered on Form W-4, Step 4(b), for the jobs. Otherwise, enter “-0-” . . . \$

(ii) If you (and/or your spouse) have any other pensions/annuities that pay less annually than this pension/annuity, then enter the total annual taxable payments from all lower-paying pensions/annuities. Otherwise, enter “-0-” . . . \$

(iii) Add the amounts from items (i) and (ii) and enter the **total** here . . . \$

**TIP:** To be accurate, submit a new Form W-4P for all other pensions/annuities if you haven't updated your withholding since 2021 or this is a new pension/annuity that pays less than the other(s). Submit a new Form W-4 for your job(s) if you have not updated your withholding since 2019.

**Complete Steps 3–4(b)** on this form only if (b)(i) is blank **and** this pension/annuity pays the most annually. Otherwise, do not complete Steps 3–4(b) on this form.

**Step 3:  
Claim  
Dependent  
and Other  
Credits**

If your total income will be \$200,000 or less (\$400,000 or less if married filing jointly):

Multiply the number of qualifying children under age 17 by \$2,000 \$

Multiply the number of other dependents by \$500 . . . \$

Add other credits, such as foreign tax credit and education tax credits \$

Add the amounts for qualifying children, other dependents, and other credits and enter the total here . . . **3** \$**Step 4  
(optional):  
Other  
Adjustments**

(a) **Other income (not from jobs or pension/annuity payments).** If you want tax withheld on other income you expect this year that won't have withholding, enter the amount of other income here. This may include interest, taxable social security, and dividends . **4(a)** \$

(b) **Deductions.** If you expect to claim deductions other than the basic standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here . **4(b)** \$

(c) **Extra withholding.** Enter any additional tax you want withheld from **each payment** . **4(c)** \$

**Step 5:****Sign  
Here**

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

**Date**



## 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-4P, such as legislation enacted after it was published, go to [www.irs.gov/FormW4P](http://www.irs.gov/FormW4P).

**Purpose of form.** Complete Form W-4P to have payers withhold the correct amount of federal income tax from your periodic pension, annuity (including commercial annuities), profit-sharing and stock bonus plan, or IRA payments. Federal income tax withholding applies to the taxable part of these payments. Periodic payments are made in installments at regular intervals (for example, annually, quarterly, or monthly) over a period of more than 1 year. Don't use Form W-4P for a nonperiodic payment (note that distributions from an IRA that are payable on demand are treated as nonperiodic payments) or an eligible rollover distribution (including a lump-sum pension payment). Instead, use Form W-4R, Withholding Certificate for Nonperiodic Payments and Eligible Rollover Distributions, for these payments/distributions. For more information on withholding, see Pub. 505, Tax Withholding and Estimated Tax.

**Choosing not to have income tax withheld.** You can choose not to have federal income tax withheld from your payments by writing "No Withholding" on Form W-4P in the space below Step 4(c). Then, complete Steps 1(a), 1(b), and 5. Generally, if you are a U.S. citizen or a resident alien, you are not permitted to elect not to have federal income tax withheld on payments to be delivered outside the United States and its territories.

**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. If your tax situation changes, or you choose not to have federal income tax withheld and you now want withholding, you should submit a new Form W-4P.

**When to use the estimator.** Consider using the estimator at [www.irs.gov/W4App](http://www.irs.gov/W4App) if you:

1. Are submitting this form after the beginning of the year;
2. Have social security, dividend, capital gain, or business income, or are subject to the Additional Medicare Tax or Net Investment Income Tax;
3. Receive these payments or pension and annuity payments for only part of the year; or
4. Have changes during the year in your marital status, number of pensions/jobs for you (and/or your spouse if married filing jointly), number of dependents, or changes in your deductions or credits.

**TIP:** Have your most recent payment statements/pay stubs from this year available when using the estimator to account for federal income tax that has already been withheld this year. At the beginning of next year, use the estimator again to recheck your withholding.

**Self-employment.** Generally, you will owe both income and self-employment taxes on any self-employment income you (or you and your spouse) receive. If you do not have a job and want to pay these taxes through withholding from your payments, use the estimator at [www.irs.gov/W4App](http://www.irs.gov/W4App) to figure the amount to have withheld.

**Payments to nonresident aliens and foreign estates.** Do not use Form W-4P. 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, write "No Withholding" in the space below Step 4(c). See Pub. 3920, Tax Relief for Victims of Terrorist Attacks, for more details.

## Specific Instructions

Submit a **separate Form W-4P** for each pension, annuity, or other periodic payments you receive.

**Step 1(c).** Check your anticipated filing status. This will determine the standard deduction and tax rates used to compute your withholding.

**Step 2.** Use this step if you have at least one of the following: income from a job, income from more than one pension/annuity, and/or a spouse (if married filing jointly) that receives income from a job/pension/annuity. The following examples will assist you in completing Step 2(b).

**Example 1.** Taylor, a single filer, is completing Form W-4P for a pension that pays \$50,000 a year. Taylor also has a job that pays \$25,000 a year. Taylor has no other pensions or annuities. Taylor will enter \$25,000 in Step 2(b)(i) and in Step 2(b)(iii).

If Taylor also has \$1,000 of interest income, which they entered on Form W-4, Step 4(a), then they will instead enter \$26,000 in Step 2(b)(i) and in Step 2(b)(iii). They will make no entries in Step 4(a) on this Form W-4P.

**Example 2.** Casey, a single filer, is completing Form W-4P for a pension that pays \$50,000 a year. Casey does not have a job, but receives another pension for \$25,000 a year (which pays less annually than the \$50,000 pension). Casey will enter \$25,000 in Step 2(b)(ii) and in Step 2(b)(iii).

If Casey also has \$1,000 of interest income, then they will enter \$1,000 in Step 4(a) of this Form W-4P.

**Example 3.** Sam, a single filer, is completing Form W-4P for a pension that pays \$50,000 a year. Sam does not have a job, but receives another pension for \$75,000 a year (which pays more annually than the \$50,000 pension). Sam will not enter any amounts in Step 2.

If Sam also has \$1,000 of interest income, they won't enter that amount on this Form W-4P because they entered the \$1,000 on the Form W-4P for the higher paying \$75,000 pension.

**Example 4.** Alex, a single filer, is completing Form W-4P for a pension that pays \$50,000 a year. Alex also has a job that pays \$25,000 a year and another pension that pays \$20,000 a year. Alex will enter \$25,000 in Step 2(b)(i), \$20,000 in Step 2(b)(ii), and \$45,000 in Step 2(b)(iii).

If Alex also has \$1,000 of interest income, which they entered on Form W-4, Step 4(a), they will instead enter \$26,000 in Step 2(b)(i), leave Step 2(b)(ii) unchanged, and enter \$46,000 in Step 2(b)(iii). They will make no entries in Step 4(a) of this Form W-4P.

If you are married filing jointly, the entries described above do not change if your spouse is the one who has the job or the other pension/annuity instead of you.



**Multiple sources of pensions/annuities or jobs.** If you (or if married filing jointly, you and/or your spouse) have a job(s), do NOT complete Steps 3 through 4(b) on Form W-4P. Instead, complete Steps 3 through 4(b) on the Form W-4 for the job. If you (or if married filing jointly, you and your spouse) do not have a job, complete Steps 3 through 4(b) on Form W-4P for **only** the pension/annuity that pays the most annually. Leave those steps blank for the other pensions/annuities.

**Step 3.** This step provides instructions for determining the amount of the child tax credit and the credit for other dependents that you may be able to claim when you file your tax return. To qualify for the child tax credit, the child must be under age 17 as of December 31, must be your dependent who generally lives with you for more than half the year, and must have the required social security number. You may be able to claim a credit for other dependents for whom a child tax credit can't be claimed, such as an older child or a qualifying relative. For additional eligibility requirements for these credits, see Pub. 501, Dependents, Standard Deduction, and Filing Information. You can also include **other tax credits** for which you are eligible

Specific Instructions *(continued)*

in this step, such as the foreign tax credit and the education tax credits. Including these credits will increase your payments and reduce the amount of any refund you may receive when you file your tax return.

Step 4 (optional).

**Step 4(a).** Enter in this step the total of your other estimated income for the year, if any. You shouldn't include amounts from any job(s) or pension/annuity payments. If you complete Step 4(a), you likely won't have to make estimated tax payments for that income. If you prefer to pay estimated tax rather than having tax on other income withheld from your pension, see Form 1040-ES, Estimated Tax for Individuals.

**Step 4(b).** Enter in this step the amount from the Deductions Worksheet, line 6, if you expect to claim deductions other than

the basic standard deduction on your 2025 tax return and want to reduce your withholding to account for these deductions. This includes itemized deductions, the additional standard deduction for those 65 and over, and other deductions such as for student loan interest and IRAs.

**Step 4(c).** Enter in this step any additional tax you want withheld from **each payment**. Entering an amount here will reduce your payments and will either increase your refund or reduce any amount of tax that you owe.

**Note:** If you don't give Form W-4P to your payer, you don't provide an SSN, or the IRS notifies the payer that you gave an incorrect SSN, then the payer will withhold tax from your payments as if your filing status is single with no adjustments in Steps 2 through 4. For payments that began before 2025, your current withholding election (or your default rate) remains in effect unless you submit a new Form W-4P.

Step 4(b)—Deductions Worksheet *(Keep for your records.)*



1	Enter an estimate of your 2025 itemized deductions (from Schedule A (Form 1040)). Such deductions may include qualifying home mortgage interest, charitable contributions, state and local taxes (up to \$10,000), and medical expenses in excess of 7.5% of your income . . . . .	1	\$	
2	Enter: { • \$30,000 if you're married filing jointly or a qualifying surviving spouse • \$22,500 if you're head of household • \$15,000 if you're single or married filing separately } . . . . .	2	\$	
3	If line 1 is greater than line 2, subtract line 2 from line 1 and enter the result here. If line 2 is greater than line 1, enter "-0-" . . . . .	3	\$	
4	If line 3 equals zero, and you (or your spouse) are 65 or older, enter: • \$2,000 if you're single or head of household. • \$1,600 if you're married filing separately. • \$1,600 if you're a qualifying surviving spouse or you're married filing jointly and one of you is under age 65. • \$3,200 if you're married filing jointly and both of you are age 65 or older. Otherwise, enter "-0-". See Pub. 505 for more information . . . . .	4	\$	
5	Enter an estimate of your student loan interest, deductible IRA contributions, and certain other adjustments (from Part II of Schedule 1 (Form 1040)). See Pub. 505 for more information . . . . .	5	\$	
6	<b>Add</b> lines 3 through 5. Enter the result here and in <b>Step 4(b)</b> on Form W-4P . . . . .	6	\$	

**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 federal income tax withholding from pension or annuity payments based on your filing status and adjustments; (b) request additional federal income tax withholding from your pension or annuity payments; (c) choose not to have federal income tax withheld, when permitted; or (d) change a previous Form W-4P. 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 being treated as a single person with no other entries on the form; 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.







**Your SSN** \_\_\_\_\_

**Type of Account:** ☐ RSA-1 ☐ PEIRAF

**Your  
Information**

*No initials please*

Name \_\_\_\_\_  
First Middle/Maiden Last

Mailing Address \_\_\_\_\_  
Street or P.O. Box Apt.# City State ZIP Code

Telephone Number \_\_\_\_\_ Email Address \_\_\_\_\_

Date of Birth \_\_\_\_\_ PID (optional) \_\_\_\_\_

**Check One:** ☐ Member Account

☐ Beneficiary Account

If you are a beneficiary, please provide the following for the deceased RSA-1 account holder.

Name \_\_\_\_\_ SSN \_\_\_\_\_

**Financial  
Institution  
Information**

Depositor Account No. \_\_\_\_\_ Bank Routing No. \_\_\_\_\_

Financial Institution Name \_\_\_\_\_ Type of Account ☐ Checking ☐ Savings

Mailing Address \_\_\_\_\_  
Street or P.O. Box City State ZIP Code

**Checking:** Attach a voided, pre-printed check to this form. Starter checks will not be accepted.

**Savings:** Attach a savings account deposit slip or an **official letter from financial institution that confirms type of account, name(s) on account, account number, routing number, and financial institution representative or payee signature.**

**Include a voided check or savings deposit slip with this form.**

**Previous  
Financial  
Institution  
Information**

This section is **only required** if you currently have an RSA-1 direct deposit form on file. **This section is not required if this is your first direct deposit.**

Depositor Account No. \_\_\_\_\_ Bank Routing No. \_\_\_\_\_

Financial Institution Name \_\_\_\_\_ Type of Account ☐ Checking ☐ Savings

**Signature  
Certification**

I authorize my payment to be deposited in the account identified above. Each payment from the above-referenced RSA-1/PEIRAF account is to be credited to my selected checking or savings account at the financial institution specified above and such payment will be in full payment, satisfaction, and discharge of the amount then payable to me from RSA-1/PEIRAF.

If adjustments are required for any payments to my selected checking or savings account, I authorize RSA-1 to make the necessary adjustments to my account. I hereby reserve the right to revoke or cancel this request, such revocation or cancellation to take effect within 30 days of receipt of written notice by RSA-1.

**Sign Here →** Your Signature \_\_\_\_\_ Date \_\_\_\_\_





## Special Tax Notice Regarding Your Rollover Options

Retirement Systems of Alabama  
PO Box 302150, Montgomery, Alabama 36130-2150  
877.517.0020 • 334.517.7000 • [www.rsa-al.gov](http://www.rsa-al.gov)



### For Payments Not From a Designated Roth Account

You are receiving this notice because all or a portion of a payment you are receiving from the Retirement Systems of Alabama (the Plan) may be eligible to be rolled over to an IRA or an employer plan. This notice is intended to help you decide whether to do such a rollover.

This notice describes the rollover rules that apply to payments for the Plan that are not from a designated Roth account (which is subject to special tax rules). If you also receive a payment from a designated Roth account in the Plan, you will be provided a different notice for that payment, and the Plan administrator will tell you the amount that is being paid from each account.

Rules that apply to most payments from a plan are described in the “General Information about Rollovers” section.

Special rules that only apply in certain circumstances are described in the “Special Rules and Options” section.

## General Information About Rollovers

### HOW CAN A ROLLOVER AFFECT MY TAXES?

You will be taxed on a payment from the Plan if you do not roll it over. If you are under age 59 ½ and do not do a rollover, you will also have to pay a 10% additional income tax on early distributions (unless an exception applies). However, if you do a rollover, you will not have to pay tax until you receive payments later and the 10% additional income tax will not apply if those payments are made after you are age 59 ½ (or if an exception applies).

### WHERE MAY I ROLL OVER THE PAYMENT?

You may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity) or an employer plan (a tax-qualified plan, section 403(b) plan, or governmental section 457(b) plan) that will accept the rollover. The rules of the IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the IRA or employer plan. Further, the amount rolled over will become subject to the tax rules that apply to the IRA or employer plan.

### HOW DO I DO A ROLLOVER?

There are two ways to do a rollover. You can do either a direct rollover or a 60-day rollover.

**If you do a direct rollover**, the Plan will make the payment directly to your IRA or an employer plan. You should contact the IRA sponsor or the administrator of the employer plan for information on how to do a direct rollover.

**If you do not do a direct rollover**, you may still do a rollover by making a deposit into an IRA or eligible employer plan that will accept it. You will have 60 days after you receive the payment to make the deposit. If you do not do a direct rollover, the Plan is required to withhold 20% of the payment for federal income taxes. This means that, in order to roll over the entire payment in a 60-day rollover, you must use other funds to make up for the 20% withheld. If you do not roll over the entire amount of the payment, the portion not rolled over will be taxed and will be subject to the 10% additional income tax on early distributions if you are under age 59 ½ (unless an exception applies).

### HOW MUCH MAY I ROLL OVER?

If you wish to do a rollover, you may roll over all or part of the amount eligible for rollover. Any payment from the Plan is eligible for rollover, except:

- Certain payments spread over a period of at least 10 years or over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Required minimum distributions after age 70 ½ (if you were born before July 1, 1949), after age 72 (if you were born after June 30, 1949, and before January 1, 1951), or after age 73 (if you were born after December 31, 1950), or after death
- Hardship distributions
- Corrective distributions of contributions that exceed tax law limitations
- The Plan administrator can tell you what portion of a payment is eligible for rollover

### IF I DON'T DO A ROLLOVER, WILL I HAVE TO PAY THE 10% ADDITIONAL INCOME TAX ON EARLY DISTRIBUTIONS?

If you are under age 59 ½, you will have to pay the 10% additional income tax on early distributions for any payment from the Plan (including amounts withheld for income tax) that you do not roll over, **unless one of the exceptions listed on page 2 applies**. This tax is in addition to the regular income tax on the payment not rolled over.



## Special Tax Notice Regarding Your Rollover Options



The 10% additional income tax does not apply to the following payments from the Plan:

- Payments made after you separate from service if you will be at least age 55 in the year of the separation
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Payments from a governmental defined benefit pension plan made after you separate from service if you are a public safety employee and you are at least age 50 in the year of the separation
- Payments made due to disability
- Payments after your death
- Corrective distributions of contributions that exceed tax law limitations
- Payments made directly to the government to satisfy a federal tax levy
- Payments up to the amount of your deductible medical expenses
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001, for more than 179 days

### **IF I DO A ROLLOVER TO AN IRA, WILL THE 10% ADDITIONAL INCOME TAX APPLY TO EARLY DISTRIBUTIONS FROM THE IRA?**

If you receive a payment from the IRA when you are under age 59 ½, you will have to pay the 10% additional income tax on early distributions from the IRA, unless an exception applies. In general, the exceptions to the 10% additional income tax for early distributions from an IRA are the same as the exceptions listed above for early distributions from a plan. However, there are few differences for payments from an IRA, including:

- There is no exception for payments after separation from service that is made after age 55.
- The exception for qualified domestic relations orders (QDROs) does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse).
- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.
- There are additional exceptions for (1) payments for qualified higher education expenses, (2) payments up to \$10,000 used in a qualified first-time home purchase, and (3) payments after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

## Special Rules and Options

### **IF YOUR PAYMENT INCLUDES AFTER-TAX CONTRIBUTIONS**

After-tax contributions included in a payment are not taxed. If a payment is only part of your benefit, an allocable portion of your after-tax contributions is generally included in the payment. If you have pre-1987 after-tax contributions maintained in a separate account, a special rule may apply to determine whether the after-tax contributions are included in a payment.

You may roll over to an IRA a payment that includes after-tax contributions through either a direct rollover or a 60-day rollover. You must keep track of the aggregate amount of the after-tax contributions in all of your IRA's (in order to determine your taxable income for later payments from the IRA's). If you do a direct rollover of only a portion of the amount paid from the Plan and a portion is paid to you, each of the payments will include an allocable portion of the after-tax contributions. If you do a 60-day rollover to an IRA of only a portion of the payment made to you, the after-tax contributions are treated as rolled over last. For example, assume you are receiving a complete distribution of your benefit which totals \$12,000, of which \$2,000 is after-tax contributions. In this case, if you roll over \$10,000 to an IRA in a 60-day rollover, no amount is taxable because the \$2,000 amount not rolled over is treated as being after-tax contributions.

You may roll over to an employer plan all of a payment that includes after-tax contributions, but only through a direct rollover (and only if the receiving plan separately accounts for after-tax contributions and is not a governmental section 457(b) plan). You can do a 60-day rollover to an employer plan of part of a payment that includes after-tax contributions, but only up to the amount of the payment that would be taxable if not rolled over.



## Special Tax Notice Regarding Your Rollover Options



### **IF YOU MISS THE 60-DAY ROLLOVER DEADLINE**

Generally, the 60-day rollover deadline cannot be extended. However, the IRS has the limited authority to waive the deadline under certain extraordinary circumstances, such as when external events prevented you from completing the rollover by the 60-day rollover deadline. To apply for a waiver, you must file a private letter ruling request with the IRS. Private letter ruling requests require the payment of a non-refundable user fee. For more information, see IRS Publication 590, Individual Retirement Arrangements (IRAs).

### **IF YOU WERE BORN ON OR BEFORE JANUARY 1, 1936**

If you were born on or before January 1, 1936, and receive a lump sum distribution that you do not roll over, special rules for calculating the amount of the tax on the payment might apply to you. For more information, see IRS Publication 575, Pension and Annuity Income.

### **IF YOUR PAYMENT IS FROM A GOVERNMENTAL SECTION 457(b) PLAN (RSA-1)**

If the Plan is a governmental section 457(b) plan, the same rules described elsewhere in this notice generally apply, allowing you to roll over the payment to an IRA or an employer plan that accepts rollovers. One difference is that if you do not do a rollover, you will not have to pay the 10% additional income tax on early distributions from the Plan even if you are under age 59 ½ (unless the payment is from a separate account holding rollover contributions that were made to the Plan from a tax-qualified plan, a section 403(b) plan, or an IRA). However, if you do a rollover to an IRA or to an employer plan that is not a governmental section 457(b) plan, a later distribution made before age 59 ½ will be subject to the 10% additional income tax on early distributions (unless an exception applies). Other differences are that you cannot do a rollover if the payment is due to an "unforeseeable emergency," and "if you were born on or before January 1, 1936" do not apply.

### **IF YOU ARE AN ELIGIBLE RETIRED PUBLIC SAFETY OFFICER AND YOUR PENSION PAYMENT IS USED TO PAY FOR HEALTH COVERAGE OR QUALIFIED LONG-TERM CARE INSURANCE**

If the Plan is a governmental plan, you retired as a public safety officer, and your retirement was by reason of disability or was after normal retirement age, you can exclude from your taxable income plan payments paid directly as premiums to an accident or health plan (or qualified long-term insurance contract) that your employer maintains for you, your spouse, or your dependents, up to a maximum of \$3,000 annually. For this purpose, a public safety officer is a law enforcement officer, firefighter, chaplain, or member of a rescue or ambulance crew.

### **IF YOU ROLL OVER YOUR PAYMENT TO A ROTH IRA**

You can roll over a payment from the Plan to a Roth IRA. If you rollover the payment to a Roth IRA, a special rule applies under which the amount of the payment rolled over (reduced by any after-tax amounts) will be taxed. However, the 10% additional income tax on early distributions will not apply (unless you take the amount rolled over out of the Roth IRA within 5 years, counting from January 1 of the year of the rollover). For payments from the Plan during 2010 that are rolled over to a Roth IRA, the taxable amount can be spread over a 2-year period starting in 2011.

If you roll over the payment to a Roth IRA, later payments from the Roth IRA that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a Roth IRA is a payment made after you are age 59 ½ (or after your death or disability, or as a qualified first-time home buyer distribution of up to \$10,000) and after you have had a Roth IRA for at least 5 years. In applying this 5-year rule, you count from January 1 of the year for which your first contribution was made to a Roth IRA. Payments from the Roth IRA that are not qualified distributions will be taxed to the extent of earnings after the rollover, including the 10% additional income tax on early distributions (unless an exception applies). You do not have to take required minimum distributions from a Roth IRA during your lifetime. For more information, see IRS Publication 590, Individual Retirement Arrangements (IRAs).

You cannot roll over a payment from the Plan to a designated Roth account in an employer plan.

### **IF YOU ARE NOT A PLAN PARTICIPANT**

**PAYMENTS AFTER DEATH OF THE PARTICIPANT:** If you receive a distribution after the participant's death that you do not roll over, the distribution will generally be taxed in the same manner described elsewhere in this notice. However, the 10% additional income tax on early distributions and the special rules for public safety officers do not apply, and the special rule described under the section "If you were born on or before January 1, 1936" applies only if the participant was born on or before January 1, 1936.



## Special Tax Notice Regarding Your Rollover Options



**IF YOU ARE A SURVIVING SPOUSE:** If you receive a payment from the Plan as the surviving spouse of a deceased participant, you have the same rollover options that the participant would have had, as described elsewhere in this notice. In addition, if you choose to do a rollover to an IRA, you may treat the IRA as your own or as an inherited IRA.

An IRA you treat as your own is treated like any other IRA of yours, so that payments made to you before you are age 59 ½ will be subject to the 10% additional income tax on early distributions (unless an exception applies) and required minimum distributions from your IRA do not have to start until after you are age 73 if you were born after December 31, 1950 (or age 72 if you were born after June 30, 1949, and before January 1, 1951, or age 70 ½ if you were born before July 1, 1949).

If you treat the IRA as an inherited IRA, payments from the IRA will not be subject to the 10% additional income tax on early distributions. However, if the participant had started taking required minimum distributions, you will have to receive required minimum distributions from the inherited IRA. If the participant had not started taking required minimum distributions from the Plan, you will not have to start receiving required minimum distributions from the inherited IRA until the year the participant would have been age 73 if you were born after December 31, 1950 (or age 72 if you were born after June 30, 1949, and before January 1, 1951, or age 70 ½ if you were born before July 1, 1949).

**IF YOU ARE A SURVIVING BENEFICIARY OTHER THAN A SPOUSE:** If you receive a payment from the Plan because of the participant's death and you are a designated beneficiary other than a surviving spouse, the only rollover option you have is to do a direct rollover to an inherited IRA. Payments from the inherited IRA will not be subject to the 10% additional income tax on early distributions. You will have to receive required minimum distributions from the inherited IRA.

### **IF YOU ARE A NONRESIDENT ALIEN**

If you are a nonresident alien and you do not do a direct rollover to a U.S. IRA or U.S. employer plan, instead of withholding 20%, the Plan is generally required to withhold 30% of the payment for federal income taxes. If the amount withheld exceeds the amount of tax you owe (as may happen if you do a 60-day rollover), you may request an income tax refund by filing Form 1040-NR and attaching your Form 1042-S. See Form W-8BEN for claiming that you are entitled to a reduced rate of withholding under an income tax treaty. For more information, see also IRS Publication 519, U.S. Tax Guide for Aliens, and IRS Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities.

### **OTHER SPECIAL RULES**

If your payments for the year are less than \$200, the Plan is not required to allow you to do a direct rollover and is not required to withhold for federal income taxes. However, you may do a 60-day rollover.

If a payment is one in a series of payments for less than 10 years, your choice whether to make a direct rollover will apply to all later payments in the series (unless you make a different choice for later payments).

You may have special rollover rights if you recently served in the U.S. Armed Forces. For more information, see IRS Publication 3, Armed Forces' Tax Guide.

### **Notice Period**

Generally, payment cannot be made from the Plan until at least 30 days after you receive this notice. Thus, you have at least 30 days to consider whether or not to have your payment rolled over. If you do not wish to wait until this 30-day notice period ends before your election is processed, you may waive the notice by making an affirmative election indicating whether or not you wish to make a direct rollover. Your payment will then be processed in accordance with your election as soon as practical after it is received by the Plan.

### **For More Information**

You may wish to consult with the Plan administrator or payor, or a professional tax advisor, before taking a payment from the Plan. Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, Pension and Annuity Income; IRS Publication 590, Individual Retirement Arrangements (IRAs); and IRS Publication 571, Tax-Sheltered Annuity Plans (403(b) Plans). These publications are available from a local IRS office, on the web at [www.irs.gov](http://www.irs.gov), or by calling 800.TAX.FORM.





## **RSA-1 Special Tax Notice Regarding Your Distribution**

Retirement Systems of Alabama  
PO Box 302150, Montgomery, Alabama 36130-2150  
877.517.0020 • 334.517.7000 • [www.rsa-al.gov](http://www.rsa-al.gov)



### **Distributions are subject to the Internal Revenue Service tax withholding rules applicable to qualified plans:**

#### **FOR PARTIAL OR FULL LUMP SUM DISTRIBUTIONS**

For lump-sum distributions and partial lump-sum distributions that are eligible for rollover distribution, federal law requires a minimum tax withholding of 20%. For partial or full lump sum distributions that are not rollover eligible, the participant may select the amount of federal tax they wish to have withheld; however, if the participant does not choose a withholding amount by completing FORM W-4R, WITHHOLDING CERTIFICATE FOR NONPERIODIC PAYMENTS AND ELIGIBLE ROLLOVER DISTRIBUTIONS, 10% of the distribution will be withheld for federal taxes.

#### **FOR PERIODIC DISTRIBUTIONS WHICH ARE LESS THAN TEN YEARS IN DURATION**

For periodic distributions which are less than ten years in duration and are rollover eligible, federal law requires a minimum tax withholding of 20%. For periodic distributions which are less than ten years in duration and are not rollover eligible, the participant may select the amount of federal tax they wish to have withheld; however, if the participant does not choose a withholding amount by completing FORM W-4P, WITHHOLDING CERTIFICATE FOR PERIODIC PENSION OR ANNUITY PAYMENTS, 10% of the distribution will be withheld for federal taxes.

#### **FOR PERIODIC DISTRIBUTIONS WHICH ARE TEN YEARS OR MORE IN DURATION**

The participant may select the amount of the federal tax withholding; however, if the participant does not choose a withholding amount by completing FORM W-4P, WITHHOLDING CERTIFICATE FOR PERIODIC PENSION OR ANNUITY PAYMENTS, the distribution will be subject to tax withholding calculated under federal tax law as single with no adjustments.

#### **FOR FINANCIAL HARDSHIP DISTRIBUTIONS**

The participant may select the amount of the federal tax withholding; however, if the participant does not choose a withholding amount by completing FORM W-4P, WITHHOLDING CERTIFICATE FOR PERIODIC PENSION OR ANNUITY PAYMENTS, 10% of the distribution will be withheld for federal taxes.

#### **FOR SMALL BALANCE DISTRIBUTIONS**

The participant may select the amount of the federal tax withholding; however, if the participant does not choose a withholding amount by completing FORM W-4R, WITHHOLDING CERTIFICATE FOR NONPERIODIC PAYMENTS AND ELIGIBLE ROLLOVER DISTRIBUTIONS, 10% of the distribution will be withheld for federal taxes.

#### **FOR PAYMENTS TO NON-RESIDENT ALIENS**

Federal law requires a minimum tax withholding of 30%.