



Unpaid Deceased Member Contributions Payment Application



(District of Columbia Teachers' Retirement Plan)

This **Unpaid Deceased Member Contributions Payment** application is to be used for lump-sum death benefit payments that constitute a refund of a deceased active, former or recently retired Teacher Plan member's contributions. Do not use this application for a payment of the unpaid portion of a deceased retired Teacher Plan member's retirement annuity.

DCRB has determined you are eligible to receive payment of unpaid/unexpended Plan contributions as a beneficiary of a deceased Teacher Plan member. You must decide how your payment should be paid: (i) directly to you or (ii) a direct rollover to an IRA or another employer plan. A rollover allows you to postpone taxation of any portion of your payment that may be taxable to you when paid. Because your payment may include pre-tax contributions, you may be interested in doing a direct rollover to defer any taxation. Although post-tax contributions are not taxable to you when paid, you still may be interested in rolling over the post-tax contributions to an IRA or employer plan so future investment earnings on your rolled over post-tax payment grow tax-free. DCRB will provide a statement to you with the amount of payment and the tax treatment of the Plan contributions.

Completing the Application

Section I: Deceased Member Information: Enter the requested information.

Section II: Applicant Information: Enter your personal information as requested. If you are submitting the application on behalf of a minor child or other incapacitated individual, please indicate that on the application.

Section III: Notice to the Applicant: Read the *Special Tax Notice Regarding Rollovers* and/or consult with a tax advisor if necessary. DCRB does not provide tax advice or recommendations regarding which distribution option may be appropriate for you.

Section IV: Payment Options: Post-tax contributions are those contributions on which taxes have already been paid whereas pre-tax contributions have not been taxed and are taxed when you receive them. Teacher contributions may be post-tax and/or pre-tax.

If you want to receive your total payment amount in a check made out to you, elect the first option. DCRB will withhold the 20% mandatory federal tax from any taxable portion (if you are a District of Columbia resident DCRB will also withhold the mandatory District tax). If you are a surviving spouse, you will have 60 days to decide if want to rollover your payment yourself.

If you want DCRB to rollover the total amount of your payment in a direct rollover, elect the second option. Any taxes that would have been owed if you received the payment will not apply at this time. You will have to provide the name of the financial institution accepting the rollover and include their Letter of Acceptance of the rollover to this Application.

If you want DCRB to rollover only a portion of your payment in a direct rollover and issue you a check for the remaining portion, elect the third option. Designate the percentage you want rolled over by DCRB. DCRB will withhold the 20% mandatory federal tax from any taxable portion (if you are a District of Columbia resident DCRB will also withhold the mandatory District tax) you elect to have paid to you rather than rolled over. Provide the name of the financial institution accepting the rollover and include their Letter of Acceptance of the rollover to this Application.

Section IV: Member Authorization: Sign and date the application and return the original notarized application and any required documents to DCRB. Make a copy for your records.

Section III: Notice to Member

Please read the attached **Special Tax Notice Regarding Rollovers** before electing your distribution option.

Your lump-sum payment may consist of pre-tax and/or post-tax Teacher Plan contributions. Generally, a payment of pre-tax contributions you receive is taxable unless you elect a rollover. A rollover will defer taxation until you later receive the payment. A payment of post-tax contributions is not taxable upon receipt but may be rolled over to an IRA or another employer retirement plan that accepts post-tax contributions. Before requesting a rollover to another employer's plan, make sure that plan will accept your rollover from the Teachers' Plan (a governmental defined benefit plan).

If you are a surviving spouse, you may elect to have your payment rolled over as a direct rollover to an IRA (traditional or Roth) or employer plan or paid to you. If paid to you, you can keep the payment or roll it over yourself to an IRA or employer plan.

If you are not a surviving spouse, you may roll over all or a portion of your payment via a direct rollover only to an IRA that was set up to receive the distribution. The rollover will be treated as an eligible rollover distribution and the receiving IRA will be treated as an inherited IRA for tax purposes.

Section IV: Payment Options

I have read the **Special Tax Notice Regarding Rollovers** and elect one of the following :

I elect the Plan to pay 100% of my payment to me. I understand that a 20% federal income tax will be withheld by DCRB from any taxable portion of my distribution that is greater than \$200. I may also be subject to an additional 10% early distribution income tax if I am under age 59 ½ and an exception does not apply. Additionally, if I am a District of Columbia resident, I am subject to mandatory tax withholding at the highest District tax rate on any taxable portion of my distribution. After a check is issued, any adjustments to federal and state or local income taxes paid are my responsibilities.

I elect a direct rollover of 100% of my payment from the Plan to an Individual Retirement Account (IRA) or to an eligible Employer Plan listed below. No federal income tax is required to be withheld on any taxable portion of the distribution. *If you are not a surviving spouse, your direct rollover can only be made to an IRA.*

I elect a partial direct rollover of my payment from the Plan to an Individual Retirement Account (IRA) or to an eligible Employer Plan listed below. I understand that a 20% federal income tax will be withheld by DCRB on the taxable portion of my distribution paid to me, and that I may be subject to an additional 10% early distribution income tax if I am under age 59 ½ and an exception does not apply. Additionally, if I am a District of Columbia resident, I am subject to mandatory tax withholding at the highest District tax rate on any taxable portion of the distribution paid to me. After a refund check is issued, any adjustments to federal and state or local income taxes are my responsibilities. *If you are not a surviving spouse, your direct rollover can only be made to an IRA.*

Portion to be rolled over: _____% of pre-tax contributions*
_____ % of post-tax contributions

*If no percentage is indicated, DCRB will automatically include 100% of your pre-tax contributions in your partial direct rollover and will make any after-tax monies payable to you.

Your full or partial direct rollover will be made via a check made payable to the applicable financial institution or employer plan and sent to you for transmittal.

Financial Institution Information (IRA/Plan): (provide only when electing a full or partial direct rollover and include the Financial Institution's Letter of Acceptance of the rollover)

Financial Institution: _____

Section IV: Member Authorization

I elect to receive a distribution of my payment as indicated above. I have read the Special Tax Notice Regarding Rollovers and the other information provided above. I further understand that my election for this payment is irrevocable once this signed Application is received by DCRB. I certify, under penalty of perjury, that the information herein is true and accurate to the best of my knowledge.

Member Signature: _____ Date: _____

Section V: Certificate of Acknowledgment (Notary Public Verification)

STATE OF _____ COUNTY OF _____

Before me, a Notary Public, on this day personally appeared _____ known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that s/he executed the same purposes and consideration therein expressed.

Given under my hand and seal of office this _____ day of _____, 20_____.

Signature of Notary

Commission Expires

(SEAL)

Return your Original Signed Notarized Application with Required Documents to:

*District of Columbia Retirement Board
Member Services Center
900 7th Street, NW, 2nd Floor
Washington, DC 20001*

For DCRB Use Only:

Date Received: _____	Name of Analyst: _____	
Documents Received:		
Processed Date: _____		
Rollover: _____	Pre-Tax: _____	Mandatory Withholding: _____