



APPLICATION FOR LUMP-SUM PAYMENT FOR REEMPLOYED RETIREES UNDER AGE 65

(Reemployed retirees may also apply for benefits through their Online Personal Accounts at www.strsoh.org.)

Section 1 — General Information *(Please print in ink.)*

Name _____
First Middle Last

Retiree's Social Security number or STRS Ohio account number _____

Home address _____
Street address City State ZIP code

Home phone (_____) _____ Birth date _____
Area code

Cell phone (_____) _____ Email _____
Area code

Effective date _____
Month Year

Effective date is the first of the month following last date of service or 12 months after the effective date of a previous reemployed benefit payment, whichever is later.

Please note the following information regarding your reemployed lump-sum payment:

1. STRS Ohio will send an electronic request to your employer(s) to certify your last date of service, last date on payroll and last fiscal year contributions.
2. There are no provisions in the retirement law allowing partial withdrawals or loans.
3. STRS Ohio cannot determine the exact withdrawal amount until your employer certifies your contributions and last day of service. If requested, STRS Ohio will send an estimate of your lump-sum amount.
4. Your reemployed account payment will be sent via direct deposit to the same bank account as your service retirement benefit. If you are not an STRS Ohio retiree, a check will be mailed to the address shown on this application unless STRS Ohio receives written notice of your change of address. Your funds will be rolled over if you complete Section 2.
5. Section 5 on Page 4 of this form must be signed. If the application is not signed, it will be returned to you.

Income Tax

Federal tax requirements state account withdrawal checks must be issued between 30 and 180 days from the date STRS Ohio mails special tax information to you. If more than 180 days have passed from the Special Tax Notice Mailed date shown in the box to the right, please contact STRS Ohio for a new application. Your signature in Section 5 indicates you wish to waive the 30-day waiting period. Please call us if you do not wish to waive this waiting period.

Special Tax Notice Mailed

Under federal law, STRS Ohio is required to withhold 20% federal income tax from the taxable amount of all lump-sum payments exceeding \$200. If you elect a direct rollover to a qualified plan, you will not be subject to the 20% federal income tax withholding. If you are under age 59-1/2, additional taxes and penalties may apply. Please consult a tax advisor.

Important note: If you take a refund of your reemployed account before age 65, the lump-sum amount consists of contributions you have made plus interest, if eligible, at a rate set by the State Teachers Retirement Board through the end of the month in which your last day of contributing service occurred or 12 months after the payment of a previous reemployed benefit payment,

(continued)



whichever is later (interest rates are subject to change). If you wait until attaining age 65, the lump-sum amount may also include a percentage of matching contributions plus interest, or you may qualify to receive a monthly annuity benefit in lieu of a lump-sum payment. Taking a refund of your account before age 65 cancels your rights to an annuity or refund that may include matching contributions and interest on those contributions.

Section 2 — Direct Rollover Instructions

1. Retirement plans eligible for direct rollovers include a traditional individual retirement account (IRA), Roth IRA, SEP-IRA, SIMPLE IRA, 403(b) plan, 457(b) plan, 401(a) qualified plan, including a 401(k) or Keogh plan.
2. Retirement plans are not required to accept rollovers and many retirement plans do not accept nontaxable contributions. Please check with your plan.
3. Please also refer to the enclosed *Special Tax Notice Regarding Lump-Sum Payments* for tax restrictions applicable to rollovers before completing this section.

I wish to directly roll over all or part of my eligible payment to an eligible retirement plan and have confirmed that my plan administrator accepts direct rollovers from Section 401(a) retirement plans. I understand that any money remaining in my account after the above amounts are rolled over will be paid directly to me and any taxable amounts will be subject to 20% federal income tax withholding.

Rollover distribution to be made payable to:

Name of financial institution or plan trustee _____

Attention _____

Address of financial institution _____
Street address

City

State

ZIP code

Account number with institution (*required*) _____

- | | | | |
|---|--|--|---|
| Type of account
(<i>check one</i>) | <input type="checkbox"/> Traditional IRA
<input type="checkbox"/> Roth IRA
<input type="checkbox"/> SEP-IRA
<input type="checkbox"/> SIMPLE IRA
<input type="checkbox"/> 403(b)
<input type="checkbox"/> 457(b) governmental plan
<input type="checkbox"/> 401(a) qualified plan, including 401(k)
<input type="checkbox"/> Keogh
<input type="checkbox"/> Other _____ | Amount of rollover
(<i>check one</i>) | <input type="checkbox"/> 100%
<input type="checkbox"/> \$ _____
<input type="checkbox"/> _____% |
|---|--|--|---|

Section 3 — Certify Employers

Employer certification is needed if you have contributing service within the last 18 months. Under Ohio law, employers must certify information about your contributions. Please list each Ohio employer for which you worked in the last 18 months. STRS Ohio will send an electronic request to them to certify your last day of service, last day on payroll and last fiscal year contributions.

Employer	County where employer is based

Section 4 — Income Tax Withholding

The Internal Revenue Code provides a default 20% federal tax withholding rate for lump-sum payments not rolled over and paid directly to you. You may withhold more than the default 20% but cannot withhold less than 20%. Complete only one option below. If more than one option is completed, STRS Ohio will apply the one that results in the higher federal tax withholding amount. See Form W-4R, available at www.irs.gov, and the Marginal Rate Tables below for additional information.

If you are age 73 or older, or will turn 73 in the current year, a portion of your payment is a required minimum distribution not eligible for rollover and has a default withholding rate of 10%. You can choose a different rate for this portion of the payment (see option #3 below). You cannot choose less than 10% for payments to be delivered outside of the United States and its possessions.

- Withhold the default federal income tax rate(s) from the entire taxable portion of my payment and distribute the balance to me. (The default rate is 20% for the eligible rollover portion and 10% for the required minimum distribution portion of payments paid directly to me.)
- Withhold a rate greater than the 20% federal income tax rate from the entire taxable portion of my payment. I elect to have more than 20% withheld from my total lump-sum payment. Percent to withhold: _____%
- Withhold a rate less than 20% from the taxable portion of my required minimum distribution. This rate applies only to the required minimum distribution portion. The default rate of 20% will be withheld from any eligible rollover portion of the payment paid directly to me. I elect to have _____% withheld from the required minimum distribution portion of my payment if any.

If no box is chosen, or if this form is not completed, STRS Ohio will automatically withhold 20% federal income tax from the taxable portion of this payment as required by the Internal Revenue Service (IRS).

Federal tax requirements state that payments eligible to be directly rolled over to an eligible retirement plan cannot be issued before 30 days and no later than 180 days from the date STRS Ohio mails special tax information to you. Your signature on this application indicates that you wish to waive the 30-day waiting period. Please call us if you do not wish to waive this waiting period.

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 www.irs.gov/pub/irs-pdf/fw4r.pdf for more information on how to use this table.

Single or Married filing separately		Married filing jointly or Qualifying surviving spouse		Head of household	
Total income over —	Tax rate for every dollar more	Total income over —	Tax rate for every dollar more	Total income over —	Tax rate for every dollar more
\$0	0%	\$0	0%	\$0	0%
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.

Ohio withholding for Ohio residents only (If no election is made, STRS Ohio will process your application without Ohio state tax withholding.)

- I request the following amount be withheld for Ohio tax: \$_____.
- I do not want Ohio state tax withheld from my STRS Ohio benefit. This choice does not release you from Ohio tax obligations if you live in Ohio.

The state of Ohio provides STRS Ohio with a voluntary withholding program. STRS Ohio withholds only Ohio income tax and only upon your request. If you live outside of Ohio, you may wish to contact a tax consultant concerning the income tax laws of that state.

Section 5 — Acknowledgment of Reemployed Retiree

I reviewed this completed application and elect to withdraw my contributions and interest in a lump-sum payment. I understand that by taking a lump-sum payment before attaining age 65, I am forfeiting the right to any potential matching contributions and interest, and I am not eligible to receive a monthly annuity benefit.

I provided the requested information to the best of my knowledge. I also certify I am not under any agreement or employment contract for future teaching service. I understand this application must be received and payment issued by STRS Ohio within 180 days from the Special Tax Notice Mailed date indicated on the front of this application.

Signature _____ Date _____

STATE TEACHERS RETIREMENT SYSTEM OF OHIO
275 East Broad Street
Columbus, OH 43215-3771
888-227-7877
www.strsoh.org



SPECIAL TAX NOTICE REGARDING LUMP-SUM PAYMENTS

This notice contains important information you will need before you decide how to receive your payment from STRS Ohio, including information about rollovers. A payment from STRS Ohio can be processed in three ways. You can have: (1) all of the payment paid by direct rollover to an IRA or an eligible employer plan; (2) all of the payment paid to you; or (3) some portion paid as a rollover with the remaining amount paid to you. Rules that apply to most payments are described below under “General Information About Rollovers.” Special rules that only apply in certain circumstances are described under “Special Rules and Options” on Page 3.

General Information About Rollovers

Your right to waive the 30-day notice period

Neither a direct rollover nor a payment can be made by STRS Ohio before 30 days and no later than 180 days after your receipt of this notice. After receiving this notice, you have at least 30 days to decide whether or not to have all or part of your payment directly rolled over. If you do not wish to wait until this 30-day notice period ends before making your decision, you may waive the notice period. Your withdrawal will then be processed as soon as possible after it is received by STRS Ohio.

How a rollover affects your taxes

You will be taxed on a payment from STRS Ohio if you choose not to roll over the payment. If you are under age 59-1/2 and choose not to roll over the payment, you will also have to pay a 10% additional income tax on early distributions (generally, distributions made before age 59-1/2 unless an exception applies). However, if you choose a rollover, you will not have to pay tax until you receive payments at a later date and the 10% additional income tax will not apply if those payments are made after you are age 59-1/2 (or if an exception applies).

Where you may roll over the payment

You may roll over the payment to an IRA (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) of the Internal Revenue Code that will accept the rollover. A rollover of a lump-sum payment due to the death of a member may be permitted or required to be rolled into an inherited IRA. The rules of the IRA or eligible employer plan that holds the rollover will determine your investment options, fees and rights to payment from the IRA or eligible employer plan (e.g., no spousal consent rules apply to IRAs and IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the IRA or employer plan.

An eligible employer plan is not legally required to accept a rollover. Before you decide to roll over your payment to an eligible employer plan, you should find out whether the plan accepts rollovers and, if so, the types of distributions it accepts as a rollover. You also need to know about any documents that are required before the receiving plan will accept a rollover. Even if a plan accepts rollovers, it might not accept rollovers of certain types of distributions, such as after-tax amounts. If an eligible employer plan accepts your rollover, the plan may restrict subsequent distributions of the rollover amount or may require your spouse’s consent for any subsequent distribution. A subsequent payment from the plan that accepts your rollover may also be subject to different tax treatment than payments from STRS Ohio. Check with the administrator of your eligible employer plan before making the rollover.

How you roll over the payment

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

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

- **If you do not choose a direct rollover**, you may still make a rollover by depositing the payment from STRS Ohio 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 choose a direct rollover, STRS Ohio 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 (e.g., your savings, a loan, etc.). 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 59-1/2 (unless an exception applies).

How much you may roll over

If you choose to roll over, you may roll over all or part of the amount eligible for rollover. Any payment from STRS Ohio 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 72 (if you were born before Jan. 1, 1951), after age 73 (if you were born after Dec. 31, 1950) or after death.

STRS Ohio can tell you what portion of a payment is eligible for rollover.

A 10% additional income tax on early distributions may apply if you do not choose a rollover

If you are under age 59-1/2, you will have to pay the 10% additional income tax on early distributions for any payment from STRS Ohio (including amounts withheld for income tax) that you do not roll over, unless one of the exceptions listed below applies. This tax is in addition to the regular income tax on the payment not rolled over.

The 10% additional income tax does **not** apply to the following payments from STRS Ohio:

- 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 after your death;
- Payments made directly to the government to satisfy a federal tax levy;
- Payments made under a division of property order (DOPO);
- Payments up to the amount of your deductible medical expenses (without regard to whether you itemize deductions for the taxable year); or
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after Sept. 11, 2001, for more than 179 days.

A 10% additional income tax on early distributions may apply to distributions from an IRA

If you receive a payment from an IRA when you are under age 59-1/2, 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 a few differences for payments from an IRA, including:

- There is no exception for payments after separation from service that are made after age 55.
- The exception for payments made under a DOPO 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 for health insurance premiums 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 IRAs (in order to determine your taxable income for later payments from the IRAs). If you choose a direct rollover of only a portion of the amount paid from STRS Ohio at the same time the rest is paid to you, the portion directly rolled over consists first of the amount that would be taxable if not rolled over. 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. If you do a direct rollover of the entire amount paid from STRS Ohio to two or more destinations at the same time, you can choose which destination receives the after-tax contributions.

If you do a 60-day rollover to an IRA of only a portion of a payment made to you, the after-tax contributions are treated as rolled over last. For example, assume you receive a distribution of \$10,000, of which \$2,000 is after-tax contributions, and no part of the distribution is directly rolled over. In this case, if you roll over \$8,000 to an IRA that is not a Roth 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 eligible 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 457(b) governmental plan). You can make the rollover within 60 days to an eligible 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.

If you miss the 60-day rollover deadline

Generally, the 60-day rollover deadline cannot be extended. However, the Internal Revenue Service (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. Under certain circumstances, you may claim eligibility for a waiver of the 60-day rollover deadline by making a written self-certification. Otherwise, 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 nonrefundable user fee. For more information, see IRS Publication 590-A, Contributions to Individual Retirement Arrangements (IRAs).

If you were born on or before Jan. 1, 1936

If you were born on or before Jan. 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 you roll over your payment to a Roth IRA

You can roll over a payment from STRS Ohio to a Roth IRA, but not to a designated Roth account in an eligible employer plan.

If you roll over 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 five years, counting from Jan. 1 of the year of the rollover).

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 59-1/2 (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 five years. In applying this five-year rule, you count from Jan. 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-A, Contributions to Individual Retirement Arrangements (IRAs).

If you are not a member of STRS Ohio

- **Payments after death of the member.** If you receive a distribution after the member'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 does not apply, and the special rule described under "If you were born on or before Jan. 1, 1936" above, applies only if the member was born on or before Jan. 1, 1936.
 - **A surviving spouse**, receiving a payment from STRS Ohio, has the same rollover options that the member would have had, as described elsewhere in this notice. In addition, if you choose to roll over 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 59-1/2 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 72 (if you were born before Jan. 1, 1951) or after you are age 73 (if you were born after Dec. 31, 1950).

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 member had started taking required minimum distributions, you will have to receive required minimum distributions from the inherited IRA. If the member had not started taking required minimum distributions, you will not have to start receiving required minimum distributions from the inherited IRA until the year the member would have been age 72 (if the member was born before Jan. 1, 1951) or the year the member would have been age 73 (if the member was born after Dec. 31, 1950).
 - **A surviving beneficiary other than a spouse**, receiving a payment from STRS Ohio, has only one rollover option — 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.
- **Payments under a DOPO.** A division of property order (DOPO) is an order issued by a court in connection with a divorce or legal separation. If you are the spouse or former spouse of the member who receives a payment from STRS Ohio under a DOPO, you generally have the same tax options the member would have. You may choose to have the payment paid in a direct rollover to an IRA or an eligible employer plan that will accept it. You may also choose to have the payment paid to you. If the payment is made directly to you, you can keep it or you may roll over the payment to an IRA. Payments under a DOPO will not be subject to the 10% additional income tax on early distributions.

If you are a nonresident alien

If you are a nonresident alien and you do not choose a direct rollover to a U.S. IRA or U.S. eligible employer plan, instead of withholding 20%, STRS Ohio 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 1040NR 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

A direct rollover will not be processed by STRS Ohio if the payment is payable to a trust, an estate or for amounts totaling less than \$200. There will also be no federal income tax withheld from amounts less than \$200. In addition, eligible rollover distributions less than \$500 cannot be split between a direct rollover and a payment made payable to you. 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.

For More Information

This notice summarizes only the federal (not state or local) tax rules that may apply to your payment. The rules described in this notice are complex and contain many conditions and exceptions that are not included in this notice. You should consult with a professional tax advisor before taking a payment from STRS Ohio. You can also find more detailed information on the federal tax treatment of payments from eligible employer plans in: IRS Publication 575, Pension and Annuity Income; IRS Publication 590-A, Contributions to Individual Retirement Arrangements (IRAs); IRS Publication 590-B, Distributions from Individual Retirement Arrangements (IRAs) and IRS Publication 571, Tax-Sheltered Annuity Plans (403(b) Plans). These publications are available from a local IRS office, online at www.irs.gov or by calling toll-free 800-829-3676.