

Lexington-Fayette Urban County Government
Policemen's and Firefighters' Retirement Fund
Direct Rollover/Direct Payment Election Form
For Refund of Member's Contributions

Applicant: Last Name

First

Employee #

Address

City

State

Zip

Social Security Number

Home Phone Number

Division

Note: Your request for refund will not be processed until this form is completed and returned to the Pension Office.

If you have questions about your taxes status, please contact a qualified tax advisor. Retirement system employees are not qualified to answer questions concerning your tax status or the effects of the federal tax laws and regulations on your financial situation.

Please complete the following form to with regards to the treatment of your payment.

DIRECT ROLLOVER/DIRECT PAYMENT ELECTION

1. _____ I wish to **Directly Rollover** the entire taxable portion (must total at least \$500.00). I will have the Trustee of my IRA, Annuity or Qualified Plan complete the attached form.

2. _____ I wish to **Receive The Entire Payment**. I have designated my tax withholding preference below. I understand that I have certain rollover rights regarding this payment as described in the Special Tax Notice.

TAX WITHHOLDING PREFERENCE
(Applies only if you selected Block 2 or Block 3)

We will withhold Federal tax according to the IRS guidelines as well as Kentucky State tax according to the lump sum guidelines.

I certify that I have read the enclosed Special Tax Withholding Notice and have selected the payment option indicated above. I understand that my refund will not be processed until this form is completed and returned to the retirement office. I understand that if I elect to receive any or all of the taxable portion directly, federal tax and Kentucky tax will be withheld on the taxable portion. I understand that no tax will be withheld if I have the entire taxable portion rolled over directly to an IRA or Qualified Plan. I understand that the taxable portion must be at least \$500.00 before a direct rollover will be allowed. If I elect to have any or all of the payment rolled over into an IRA or Qualified Plan, I will have the Trustee receiving the rollover complete the back of this form.

Signature: _____

Date: _____

DIRECT ROLLOVER INFORMATION
(to be completed by Trustee or IRA or
qualified plan receiving rollover)

Member's Name: _____ Social Security No.: _____

Type of Plan Accepting Rollover:

_____ Individual Retirement Account
_____ Individual Retirement Annuity

_____ Other Qualified Plan

Trustee Name/Plan Name: _____

Street Address: _____

Mailing Address (if different): _____

Account Number (if applicable): _____

As agent for the above named plan, I certify that the above plan is a qualified plan and will accept the rollover for the benefit of the distributee.

Trustee/Agent Signature: _____ Date: _____

Title: _____

Tax Notice Regarding Plan Payments

This notice contains important information you will need before you decide how to receive your benefits from the Policemen's and Firefighters' Retirement Fund (the "Plan")

Summary

A payment from the Plan that is eligible for "rollover" can be taken in two ways. You can have **all or any portion** of your payment either (1) **paid in a "direct rollover"**, (2) **paid to you**. A rollover is a payment of your Plan benefits to your individual retirement arrangement (IRA) or to another employer plan. This choice will affect the tax you owe.

If you choose a **Direct Rollover**

- Your payment will not be taxed in the current year and no income tax will be withheld.
- Your payment will be made directly to your IRA or, if you choose, to another employer Plan that accepts your rollover.
- Your payment will be taxed later when you take it out of the IRA or the employer Plan.

If you choose to have your Plan benefits **Paid To You**

- You will receive the amount minus Federal and Kentucky tax withholding because the Plan administrator is required to withhold those amounts send it to the IRS as income tax withholding to be credited against your taxes.
- Your payment will be taxed in the current year unless you roll it over.
- You can rollover the payment by paying it to your IRA or to another employer plan that accepts your rollover within 60 days of receiving the payment. The amount rolled over will not be taxed until you take it out of the IRA or employer plan.