

# Federal and State Income Tax Withholding Instructions

## TRADITIONAL IRA, SEP, SIMPLE, AND ROTH IRA

In most cases, federal and state income tax law requires that we withhold tax from your distribution. You can submit your elections by completing the Withholding Tax Election Section of your IRA Distribution Request Form and following the chart below.

### If you do not make an election, we will automatically withhold as follows:

**Federal:** 10 percent of your gross distribution.      **State:** Based on your residency as outlined below.

| IF YOUR STATE OF RESIDENCE IS:   | STATE INCOME TAX WITHHOLDING REQUIREMENTS AND ELECTIONS  |
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| AK, FL, HI, NH, NV, SD, TN, TX, WA, WY   | <p><b>State income tax withholding is not required.</b><br/>State income tax withholding is not required for residents of these states. We will <b>not</b> withhold state income tax from your distribution if you reside in these states.</p>   |
| AL, AZ, CO, CT, DE, GA, ID, IL, IN, KY, LA, MD, MN, MO, MT, ND, NJ, NM, NY, OH, PA, RI, SC, UT, VA, WI, WV | <p><b>Voluntary state income tax withholding.</b><br/>We will withhold state income tax only if you instruct us to do so. If you want state income taxes to be withheld, you must indicate the amount or percentage.<br/><b>Note:</b> We require tax withholding amounts to be requested in whole dollars for the following states: Colorado, Connecticut, Missouri, and New Jersey.</p> |
| IA, KS, MA, ME, NE, OK   | <p><b>Mandatory state income tax withholding when federal income tax is withheld.</b><br/>We will withhold state income tax according to the rates below when federal income tax is withheld from your distribution:</p>   |
|  | <p><b>Iowa, Maine, Nebraska, Oklahoma</b> 5.00% of Gross Distribution</p>  |
|  | <p><b>Kansas</b> 5.00% of Gross Distribution</p>   |
|  | <p><b>Massachusetts</b> 5.10% of Gross Distribution</p>  |
|  | <p>If you have elected not to withhold federal income tax, but request state income tax withholding, the following rules apply:</p>  |
|  | <p><b>Kansas, Maine, Massachusetts, Nebraska</b> Specify a dollar amount or a percentage<br/><b>Iowa, Oklahoma</b> 5.00% or more of Gross Distribution</p>   |
| AR, CA, DC, MI, MS, NC, OR, VT   | <p><b>Mandatory state income tax withholding when federal income tax is withheld.</b><br/>We will withhold state income tax according to the rates below whenever federal income tax is withheld from your distribution, unless you indicate otherwise:</p>  |
|  | <p><b>Arkansas</b> 3.00% of Gross Distribution</p>   |
|  | <p><b>California</b> 10.00% of Federal Income Tax Withheld<br/>For more information on California withholding using the DE 4P table, see <a href="http://www.taxes.ca.gov">www.taxes.ca.gov</a></p>  |
|  | <p><b>District of Columbia</b> 8.95% of Total Distribution<br/>District of Columbia income tax withholding on total distributions is mandatory (whether federal income tax is withheld or not) and voluntary for all other types of distributions.</p>   |
|  | <p><b>Michigan</b> 4.25% of Gross Distribution<br/>For more information about Michigan withholding, see Form MI W-4P at <a href="http://www.michigan.gov">www.michigan.gov</a></p>   |
|  | <p><b>Mississippi</b> 5.00% of Gross Distribution<br/>Mississippi income tax withholding on early or excess distributions is mandatory (whether federal income tax is withheld or not) and voluntary for all other types of distributions.</p>   |
|  | <p><b>North Carolina</b> 4.00% of Gross Distribution</p>   |
|  | <p><b>Oregon</b> 8.00% of Gross Distribution</p>   |
|  | <p><b>Vermont</b> 24.00% of Federal Income Tax Withheld</p>  |
|  | <p>If you want state income tax withholding at a different rate (or no state income tax withholding), check the box <b>"Do not withhold state income tax"</b> in the Withholding Tax Election Section of your IRA Distribution Request Form or specify a dollar amount or a percentage to indicate your state income tax withholding election.</p>                                       |

Rates are subject to change without notice. Keep this page for your records.