

WITHDRAWAL APPLICATION

This booklet contains:

- Options to Consider Before You Withdraw
- Application Instructions
- Tax Information
- Application for Withdrawal of Contributions

Options To Consider Before You Withdraw

What It Means to Be Vested

When you are “vested,” it means you have earned enough service credit to guarantee a retirement benefit, even if you leave covered employment.

KPERS Tier 1 and Tier 2

- KPERS members vest with five years of service.

KP&F

- Tier I members vest with 20 years of service.
- Tier II members vest with 15 years of service.

Judges

- Judges vest when they are elected or appointed.

If You Are Vested

You are **guaranteed** a monthly retirement benefit for the rest of your life if you leave your contributions in your account. Often, if you have a significant amount of service, your vested benefit is more valuable than the amount of your actual contributions. If you keep your contributions with the Retirement System, you can apply for retirement benefits when you become eligible. Your contributions continue to earn interest and you can withdraw them at any time if you change your mind. If you decide to withdraw, consider a rollover to another retirement account. This will preserve your savings efforts and defer taxes.

If you do not withdraw and you return to covered employment, you will immediately become a contributing active member again and keep the credit for your past public service.

If You Are Not Vested

You are **not guaranteed** a retirement benefit. You need to withdraw your account balance **within five years** of the date you end employment. After five years, your contributions stop earning interest and you forfeit your service credit.

If you do not withdraw and you return to covered employment within five years, you will keep the credit for your past public service. Except in the case of certain grace periods for temporarily inactive members, you will return as a Tier 2 member, even if you were Tier 1 when you left.

KPERS Tier 1 members who reach age 65 within the five-year period may apply for retirement benefits.

Options for Withdrawing Your Contributions

You can apply to withdraw your contributions any time 31 days after you end employment. If you withdraw, you will give up all Retirement System rights, benefits and service credit. Employer contributions made on your behalf stay with the Retirement System. You can receive your contributions plus interest as a direct payment to you or roll over the amount into an eligible retirement plan. The decision to withdraw could affect your financial future, especially if you have many years of public service and accumulated contributions. Please seek professional tax advice before withdrawing.

- Option 1 Roll your contributions over into an eligible retirement plan like a 457(b) deferred compensation plan, 403(b) annuity, 401(k) plan, individual retirement account (IRA), Roth IRA or a qualified retirement plan. Except for the Roth IRA, this option allows you to defer paying taxes until a later date. The type of plan that can accept your rollover is determined by whether or not you have already paid tax on your contributions.
- Option 2 Have your contributions paid directly to you. You may owe federal taxes and possibly a 10 percent federal penalty.

Reasons to Roll Over Contributions Instead of Taking a Direct Payment

- Preserve your past efforts toward saving for retirement.
- Keep from paying taxes right away, giving your money more time to compound.*
- Avoid paying federal penalties for early distribution.

**A rollover to a Roth IRA is a taxable distribution in the year the funds are transferred. This type of rollover does have other tax advantages.*

The Withdrawal Process*

1. Have your designated agent complete the employer section of the withdrawal application, if you recently left employment.
2. Complete your part of the application and send it to the Retirement System.
3. When we receive your completed application, we will send payment within four weeks.
4. KPERS will send you a 1099-R form the following January for your income tax return.

**Interest is credited annually on June 30. If you withdraw before June 30, you will not receive your interest for the current year.*

Application Instructions

■ Part A – Member Information

Important: You must be off payroll from any Retirement System-covered position for at least 31 days before signing and submitting this application. You may not withdraw contributions if you are employed in a covered position, or you move to a non-covered position with the same employer. Interest is credited annually on June 30. If you withdraw before June 30, you will not receive the interest for the current year.

1. Enter your Social Security number.
 2. Enter your first name, middle initial and last name.
 3. Mark the corresponding box to indicate the plan(s) you are withdrawing from. If you are withdrawing from more than one plan (for example, KPERS and KP&F), submit **two** applications if you are choosing **different** payment options for each plan.
- 4-6. Enter the indicated personal information. Enter the mailing address to which the Retirement System should direct all communications on your behalf.

■ Part B – Employer Certification

Note: If the member has been off the payroll for more than 18 months, this section is not required.

1. Enter the employer's (4) four-digit identification number. State agencies, enter the state agency number preceded by the capital letter "S."
2. Enter the name of the participating employer.
3. Indicate if the employee was given life insurance conversion and portability forms and information.
4. Enter the department number used when reporting this member's contributions on the annual report.
5. Enter type of contributions. Report additional service purchase (buyback) contributions on a separate line.
6. Enter the annual report year being certified.
7. Enter the member's contributions since the last annual contribution report. This amount cannot be changed after the Retirement System receives this form. The amount indicated will be used in the member's lump-sum distribution and the employer will be held accountable for this amount of money.
8. Enter the begin date for the contributions reported, if the member began contributing since your last annual report.
9. Enter the end date for contributions reported.

Important: The end date is the date the member **last earned compensation**, not the payroll date. This date may be different than the last day at work due to paid leave, etc. Schools must report end date of last contract

for continuing contract personnel, and these personnel cannot withdraw until 31 days after the contract end date. If the member had broken service in the current year, report each service period on a separate line with the appropriate beginning and ending dates. Attach additional sheets if necessary. Previous year contributions being updated (12-15 through 4-15) should be certified on a separate line, by report year.

School Employers: Complete #10-#15 for all classified school members.

10. Enter the member's final position when he or she elected to withdraw contributions.
11. Enter the member's contract end date which must follow the 12-month payroll cycle.
12. Mark the corresponding box to indicate the number of monthly installments the member received.
13. If the member received 12 monthly installments, indicate whether the member received a single lump sum for summer pay.
14. Mark the corresponding box to indicate the number of monthly installments the member received in the previous year.
15. Indicate whether the member's position is considered "licensed" by the department of education.

■ Part C – Employer Signature

1. The designated agent must sign and date the form. The Retirement System will accept only the designated agent's signature on file or an authorized representative whose signature is also on file.

■ Part D – Payment Information

Important: Your contributions can be paid directly to you or rolled over to an eligible retirement plan. Read the "Tax Information Regarding Plan Payments" section *before* completing Part C. Federal law requires a mandatory 20 percent tax withholding on taxable amounts paid directly to you. Taxable amounts that are rolled over to a qualified defined contribution plan or traditional IRA will not be taxed until taken out of the plan.

You may be eligible to establish a Roth IRA to receive a direct rollover. You are responsible for determining if you meet the Internal Revenue Service's income limits and filing status requirements for establishing a Roth IRA. We recommend that you seek professional tax advice if you are considering this option. A rollover to a Roth IRA is **taxable** and will be subject to federal income tax. KPERS does not withhold federal income tax for a rollover to a Roth IRA. We will send you a 1099-R tax form the following January for your federal income tax return.

Application Instructions (cont.)

Taxable Amount

1. Mark this box to have the entire taxable amount paid directly to you. The Retirement System will withhold a required 20 percent for federal taxes. Advance to Nontaxable Amounts.
2. Mark this box to have the entire taxable amount paid to a qualified defined contribution plan, traditional IRA or Roth IRA. Advance to #4.
3. Mark this box to have **part** of the taxable amount paid to a qualified defined contribution plan, traditional IRA or Roth IRA and the remainder to you. Enter the rollover amount in the space provided. The minimum rollover is \$500. The Retirement System will withhold a required 20 percent for federal taxes from the portion paid to you. Advance to #4.
4. If you marked #2 or #3, indicate the name, mailing address, account number and plan type of each rollover plan. If different, provide address where the check should be mailed. Verify with your financial institution or plan *exactly* how the check should be made payable. Indicate the percentage of payment to be placed within each plan. The total percentage amounts must be in whole numbers and equal 100 percent.

Nontaxable Amount

5. Mark this box to have the entire nontaxable amount paid to you. Advance to Part E.
6. Mark this box to have the entire nontaxable amount paid to a qualified defined contribution plan, traditional IRA or Roth IRA. Advance to #7.
7. If you marked #6, indicate the name, address, account number and plan type of the rollover plan. If different, provide address where the check should be mailed. Verify with your financial institution or plan *exactly* how your withdrawal check should be made payable.

■ Part E – Direct Deposit Information

Note: Please verify the financial account information with your financial institution before completing this section.

1. Indicate whether you want your payment deposited into your personal account.
2. Enter the name of the financial institution.
3. Enter the city and state where the financial institution is located.
4. Enter the telephone number of the financial institution.
5. Indicate the type of account.
6. Enter the routing number for *electronic transfers*. This may be different from the routing number for the branch bank where the account is held.
7. Enter the account number to receive the payment.

■ Part F – Member Statement and Signature

1. Indicate your marital status.
2. Read and understand the statement, then sign and date the form. This form cannot be signed until at least 31 days after your last day on the payroll, indicated on Part B, #9. Your signature must be notarized.

Important: By signing this application, you irrevocably forfeit all service credit and any right to disability, retirement and any other benefits you may be entitled to receive as a member of the Retirement System. This includes any benefits you are currently receiving or could be receiving in the future. A leave of absence not exceeding one year, military service or a total disability is not considered an end in employment or a break in continuous employment, unless you resign following that leave, service or disability.

If you recently left employment, your withdrawal application cannot be processed until the Retirement System receives the proper report and remittance from your former employer. The contributions reported by your employer in Part B are your *current year* contributions only. All previous year contributions have already been reported to our office and will be included in this lump-sum distribution.

■ Part G – Spousal Consent for Withdrawal of Vested Member's Contributions

Note: Kansas law recognizes a spouse's financial interest in a *vested* member's decision to withdraw Retirement System contributions by requiring the member's spouse to consent to the withdrawal.

When a Retirement System member is vested, it means that the member is guaranteed retirement benefits upon reaching the statutory retirement age. Often, if a member has a significant amount of service, the vested benefit is more valuable than the amount of the actual contributions. The decision to withdraw contributions once a member is vested could affect his or her financial future, especially if the member has many years of public service and accumulated contributions. If you haven't already, take this opportunity to discuss your financial situation and retirement plans with your spouse.

1. Spouse prints his or her name.
2. Spouse should read and understand the statement.
3. Spouse signs and dates the form to attest that he or she is the spouse of the previously-named vested member and understands and agrees with the member's decision to withdraw contributions. Spouse's signature must be notarized.

TAX INFORMATION REGARDING PLAN PAYMENTS

You are receiving this notice because all or a portion of a payment you are receiving from KPERS is 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.

Note: If you have an electronic version of this booklet, you may request a paper copy from KPERS at no charge.

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 KPERS 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 percent additional income tax on early distributions (unless an exception applies).

If you **do** a rollover to a traditional IRA or an eligible employer plan, you will not have to pay tax until you receive payments later from the IRA or plan, and the 10 percent additional income tax will not apply if those payments are made after you are age 59 ½ (or if an exception applies).

If you **do** a rollover to a Roth IRA, you will be taxed on the amount rolled over (reduced by any after-tax amount). However, if you are under age 59 ½ at the time of the rollover, the 10 percent additional income tax will not apply. See the section below titled “If you roll over your payment to a Roth IRA” for more details.

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 section 401(a) plan, section 403(b) plan, or governmental section 457(b) deferred compensation 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 of the rolled over amount in the future. 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, KPERS 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, KPERS is required to withhold 20 percent of the payment for federal income taxes. 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. 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 percent 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 percent 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 KPERS 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) (This means that your lifetime monthly benefits are not eligible for rollover.).
- Required minimum distributions after age 70 ½ (or after death).
- Corrective distributions of contributions that exceed tax law limitations.

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

If any portion of your payment is taxable but cannot be rolled over, the mandatory withholding rules described above do not apply. In this case, you may elect not to have withholding apply to that portion. If you do nothing, an amount will be taken out of this portion of your payment for federal income tax withholding. To elect out of withholding, ask KPERS for the election form and related information.

If I don't do a rollover, will I have to pay the 10 percent additional income tax on early distributions?

If you are under age 59 ½, you will have to pay the 10 percent additional income tax on early distributions for any payment from KPERS (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 percent additional income tax does not apply to the following payments from KPERS:

- 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 made under a qualified domestic relations order (QDRO)
- Payments up to the amount of your deductible medical expenses

If I do a rollover to an IRA, will the 10 percent additional income tax apply to early distributions from the IRA?

If you receive a payment from an IRA when you are under age 59 ½, you will have to pay the 10 percent additional income tax on early distributions from the IRA, unless an exception applies. In general, the exceptions to the 10 percent 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 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).

Will I owe State income taxes?

KPERS lump-sum benefits, including earnings, generally keep their Kansas state tax-exempt status, even when rolled over into a qualified IRA containing other retirement funds. For more information about Kansas state taxes, please contact the Kansas Department of Revenue or a qualified tax preparer.

If you live in another state, check if your benefit is taxable in that state.

Special Rules And Options

What if my 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 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.

What happens if I 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 nonrefundable user fee. For more information, see IRS Publication 590, Individual Retirement Arrangements (IRAs).

Are there special rules if I was 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.

Can I roll over my payment to a Roth IRA?

You can roll over a payment from KPERS made before January 1, 2010 to a Roth IRA only if your modified adjusted gross income is not more than \$100,000 for the year the payment is made to you and, if married, you file a joint return. These limitations do not apply to payments made to you from KPERS after 2009. If you wish to roll over the payment to a Roth IRA, but you are not eligible to do a rollover to a Roth IRA until after 2009, you can do a rollover to a traditional IRA and then, after 2009, elect to convert the traditional IRA into a Roth IRA. KPERS is not responsible for verifying your eligibility to make a rollover to a Roth IRA. (IRS Notice 2008-30)

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 percent 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 KPERS 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 homebuyer 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 percent 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.

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

For more information, see IRS Publication 590, Individual Retirement Arrangements (IRAs). You should consult your tax advisor if you are interested in rolling over your distribution to a Roth IRA.

Are there different rules if I am not the KPERS member?

Payments after death of the member

If you receive a distribution that you do not roll over after the member's death, the distribution will generally be taxed in the same manner described elsewhere in this notice. However, the 10 percent 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 member was born on or before January 1, 1936.

If you are a surviving spouse

If you receive a payment from KPERS as the surviving spouse of a deceased member, you have the same rollover options that the member 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 percent 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 70 ½.

If you treat the IRA as an inherited IRA, payments from the IRA will not be subject to the 10 percent 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 from KPERS, you will not have to start receiving required minimum distributions from the inherited IRA until the year the member would have been age 70 ½.

If you are a surviving beneficiary other than a spouse

If you receive a payment from KPERS because of the member'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 percent additional income tax on early distributions. You will have to receive required minimum distributions from the inherited IRA.

Payments under a qualified domestic relations order

If you are the spouse or former spouse of the member who receives a payment from KPERS under a qualified domestic relations order (QDRO), you generally have the same options the member would have (for example, you may roll over the payment to your own IRA or an eligible employer plan that will accept it). If you are an alternate payee other than the spouse or former spouse of the mem-

ber, you generally have the same options as a surviving beneficiary other than the spouse, so that the only rollover option you have is to do a direct rollover to an inherited IRA. Payments under the QDRO will not be subject to the 10 percent additional income tax on early distributions.

Are there different rules if I am 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 percent, KPERS is generally required to withhold 30 percent 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.

Are there any other special rules?

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).

If your payments for the year are less than \$200, KPERS 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.

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 KPERS 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 period 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 KPERS.

Retired Public Safety Officers

What tax benefits are available if I am an eligible retired public safety officer and use my pension payment to pay for health coverage or qualified long-term care insurance?

If you retired as a state 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 a qualified long-term care 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 state public safety officer is a law enforcement officer, firefighter, chaplain, or member of a rescue squad or ambulance crew employed by the state.

The Form 1099-R that you receive from KPERS will report the deducted insurance premium as taxable. If you want to take advantage of this \$3,000 exclusion, you must report the amount claimed on Form 1040. The instructions to Form 1040 explain that the taxable amount received from KPERS, reduced by the amount of qualified premiums deducted and paid by KPERS (not to exceed \$3,000), must be entered on line 16b of the Form 1040. Next to the entry, in the margin, you must write the letters "PSO." This is an annual election – you will need to report the exclusion for each year in which you want to claim the exclusion.

For More Information

You may wish to consult with KPERS or a professional tax advisor, before taking a payment from KPERS. 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, or by calling 1-800-TAX-FORM.

revised 1/11



APPLICATION FOR WITHDRAWAL OF CONTRIBUTIONS

Please complete all pages of this form.

■ **Contact Us – toll free:** 1-888-275-5737 • **phone:** 785-296-6166 • **fax:** 785-296-6638
e-mail: kpers@kpers.org • **web site:** www.kpers.org • **mail:** 611 S. Kansas Ave., Suite 100, Topeka, KS 66603

■ Part A – Member Information

- 1. Social Security Number: _____ - _____ - _____
- 2. Name (First, MI, Last): _____
- 3. Withdrawing From (mark all that apply): KPERS KP&F Judges
- 4. Telephone Number: (____) _____
- 5. Mailing Address: _____
- 6. E-mail Address: _____
- City, State, Zip: _____

Important: Kansas law requires that your application for withdrawal cannot be signed and submitted until 31 days after you end employment. Your former employer must complete Part B if you recently left employment.

■ **Part B – Employer Certification** – This section must be completed by your former employer’s designated agent if you recently left employment. If you have been off the payroll for more than 18 months, Part B is not required.

- 1. Employer Number: _____
- 2. Employer: _____
- 3. I certify that upon ending employment, I have given the named member information about continuing life insurance.
 Yes No

4. Dept. # (locals only)	5. Cont. type R=regular D=double T=triple	6. Year certified	7. Member’s contributions (since last annual report)	8. Begin date (MM DD YY)	9. End date* (MM DD YY)
---	_____	-----	\$_____.	___/___/___	___/___/___
---	_____	-----	\$_____.	___/___/___	___/___/___
---	_____	-----	\$_____.	___/___/___	___/___/___

*Schools must report end date of last contract for continuing contract personnel.

■ School Employers Only:

Classified staff members cannot withdraw until all compensation is paid. Provide the following for all classified staff:

- 10. Position at Withdrawal: _____
- 11. Contract End Date: ___/___/___
- 12. Is this member paid in 9, 10, or 12 monthly installments? 9 10 12
- 13. If paid in 12 monthly installments, are the summer checks paid in June with a lump sum? Yes No
- 14. How many monthly installments was the employee paid in the previous school year? 9 10 12
- 15. Is this a licensed position as defined by the state department of education? Yes No

■ Part C – Employer Signature

“I certify that the information provided in Part B is correct to the best of my knowledge.”

Designated Agent Signature: _____ Month/Day/Year: ___/___/___

■ **Part D – Payment Information** – Interest is credited annually on June 30. If the Retirement System receives your application before June 30, you will not receive your interest for the current year.

“I choose to have my refund of contributions paid as follows”:

Taxable Amount – Please choose **one** payment option for the *taxable* amount of your payment. Federal law requires a mandatory 20 percent federal tax withholding on taxable amounts paid directly to you.

1. Pay the entire *taxable* amount to me. *Advance to Nontaxable Amount section.*
2. Pay the entire *taxable* amount to a qualified defined contribution plan, traditional IRA or Roth IRA. *Advance to #4.*
3. Pay part of the *taxable* amount to a qualified defined contribution plan, traditional IRA or Roth IRA and the remainder to me. Enter the dollar amount to be paid to a rollover plan: \$ _____ The minimum rollover is \$500. *Advance to #4.*
4. If you marked #2 or #3, please list the name, address, account number and plan type of each rollover plan. Indicate percentage amounts to be paid to each plan. Total percentage amounts must be in whole numbers and equal 100 percent. Verify with your financial institution or rollover plan exactly how your withdrawal check should be made payable.

a. *Rollover Plan #1*

Check payable to: _____	Check mailed to: _____
Mailing Address: _____	Mailing Address: _____
City, State, Zip: _____	City, State, Zip: _____
Account Number: _____	Percentage to Be Rolled Over: _____ %
Select Plan Type: <input type="checkbox"/> Traditional IRA <input type="checkbox"/> Roth IRA <input type="checkbox"/> Qualified defined contribution plan	

b. *Rollover Plan #2*

Check payable to: _____	Check mailed to: _____
Mailing Address: _____	Mailing Address: _____
City, State, Zip: _____	City, State, Zip: _____
Account Number: _____	Percentage to Be Rolled Over: _____ %
Select Plan Type: <input type="checkbox"/> Traditional IRA <input type="checkbox"/> Roth IRA <input type="checkbox"/> Qualified defined contribution plan	

c. *Rollover Plan #3*

Check payable to: _____	Check mailed to: _____
Mailing Address: _____	Mailing Address: _____
City, State, Zip: _____	City, State, Zip: _____
Account Number: _____	Percentage to Be Rolled Over: _____ %
Select Plan Type: <input type="checkbox"/> Traditional IRA <input type="checkbox"/> Roth IRA <input type="checkbox"/> Qualified defined contribution plan	

Nontaxable Amount: Please choose **one** payment option for any *nontaxable* amount of your payment.

5. Pay the entire *nontaxable* amount to me. *Advance to Part E.*
6. Pay the entire *nontaxable* amount to a qualified defined contribution plan, traditional IRA or Roth IRA. *Advance to #7.*
7. If you marked #6 above, please list the name, address, account number and plan type of the rollover plan. Verify with your financial institution or rollover plan exactly how your withdrawal check should be made payable.

a. *Rollover Plan*

Check payable to: _____	Check mailed to: _____
Mailing Address: _____	Mailing Address: _____
City, State, Zip: _____	City, State, Zip: _____
Account Number: _____	
Select Plan Type: <input type="checkbox"/> Traditional IRA <input type="checkbox"/> Roth IRA <input type="checkbox"/> Qualified defined contribution plan	

■ **Part E – Direct Deposit Information** – If you want all or part of your contributions paid directly to you, you may have the payment deposited directly into your checking or savings account. If you mark “no,” the payment will be mailed to the address listed on this application.

1. Direct Deposit: Yes No
2. Financial Institution: _____
3. Location (City, State): _____ 4. Telephone Number: (____) _____
5. Type of Account: Checking Savings
6. Routing Number for Electronic Transfers: _____
7. Bank Account Number: _____

■ **Part F – Member Statement and Signature**

Note: Kansas law requires that your application for withdrawal cannot be submitted until 31 days after the date you end employment. This form cannot be signed until **31 days** after the end date in Part B, #9, on this form. Count the first day after your employment end date as day one. You may then apply to withdraw contributions on day 31, or any date after, if you are not working in any KPERS-covered position. If you are appealing your dismissal, you are not eligible to withdraw your contributions.

1. I certify that I am: Married Not Married

“I fully understand that when the Retirement System office receives this completed and signed form, my decision to withdraw contributions is irrevocable. I forfeit all service credit and any right to disability, retirement and any other benefits that I am, or may be, entitled to receive in the future. If I am a non-vested member, I further understand that I would have up to five years from the date my employment ends to withdraw contributions.

At the time the Retirement System receives this application I certify I am **not employed** in any position covered under the Retirement System, nor do I have any commitment for immediate employment covered under the Retirement System. I also understand my withdrawal application will not be processed until the Retirement System receives certain information from my former employer.”

Member Signature: _____ Month/Day/Year: ____/____/____

Notary Public: State of _____ County of _____

Signed or attested before me on (date) _____ by (name of person) _____

Notary Public Signature: _____ My appointment expires (month/day/year) ____/____/____.

(SEAL)

■ **Part G – Spousal Consent for Withdrawal of Vested Member’s Contributions**

Note: This section must be completed by your spouse if you are married and a vested member (see “Options to Consider Before You Withdraw”).

1. Spouse Name (First, MI, Last): _____

“I hereby attest that I am the spouse of the previously-named member. I understand that my spouse is a vested member of the Retirement System, and that by consenting to the withdrawal of contributions, I am forfeiting any rights to future benefits I might have been entitled to, had my spouse not withdrawn the accumulated contributions.”

Spouse Signature: _____ Month/Day/Year: ____/____/____

Notary Public: State of _____ County of _____

Signed or attested before me on (date) _____ by (name of person) _____

Notary Public Signature: _____ My appointment expires (month/day/year) ____/____/____.

(SEAL)

Our mission:

The Kansas Public Employees Retirement System, in its fiduciary capacity, exists to deliver retirement, disability and survivor benefits to its members and their beneficiaries.

Core values that guide us:

- service
- integrity
- respect
- accountability
- innovation
- teamwork



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