

FULTON COUNTY SCHOOLS EMPLOYEES' PENSION FUND

6201 Powers Ferry Road NW • Atlanta, GA 30339 • Phone 470-254-0102 • Fax 866-500-9747



Application for Refund of Pension Contributions

To Be Completed by **BENEFICIARY** -- please print clearly or type all personal information.

Please read instructions on back. I hereby make application for the refund of my accumulated contributions. I certify that I am no longer employed in a position covered by the Fulton County Schools Employees' Pension Fund. I understand that upon the refund of my contributions my membership in the Fulton County Schools Employees' Pension Fund is terminated and if I am subsequently employed in a position again requiring membership, I must enter the Pension system as a new member.

I have read the attached Special Tax Notice. I understand that if I elect to receive direct payment to me of all or a portion of my taxable contributions that the Fulton County Schools Employees' Pension Fund will withhold 20% federal income tax from that payment.

Beneficiary Information

Member Social Security Number _____

Please complete all sections. Incomplete information will delay the processing of your retirement benefit

Last Name _____

First Name _____

Initial _____

Daytime Phone Number _____

Age _____

Date of Birth _____

Sex (M or F) _____

Address _____

City _____

State _____

Zip Code _____

I elect a direct rollover to:

IRA or Eligible Plan

401(a)

401(k)

403(a)

403(b) Tax Sheltered Annuity

Government 457 Plan

IRA/Eligible Plan Name _____

Account Number _____

Account Number _____

Street Address or Post Office Box _____

Rollover the following amounts:

All Taxable Funds

After Tax Contributions

Specified Taxable Amount

\$ _____

City _____ State _____ Zip Code _____

By applying for and accepting this return of my contributions, I hereby specifically waive and relinquish for myself and my heirs and assigns, all rights, title and interest in any and all monthly retirement benefits and to any and all other benefits and to any and all other benefits under the laws governing the Fulton County Schools Employees' Pension Fund.

I elect payment of all funds directly to me

Withhold Georgia Income Tax

Signature _____

Date _____

By signing this form, I hereby attest that this form and each related form submitted to Fulton County Schools is true, correct and accurate and reflects my intentions and elections with respect to my benefits. I understand that any falsification, omission, or concealment of a material fact or statement may jeopardize the validity of this form, my elections and my benefits and may subject me to disciplinary action up to and including termination of employment and or benefits.

Before mailing this form, please be sure to:

Fill out completely. Incomplete forms will be returned to you and not processed.

- Attach a photocopy of official identification (See instructions on back)
- Sign and date the form.
- Your records will be updated when the correct, completed **original** form is received in Pension Services.
- Completing this form revokes any prior information on file.

FULTON COUNTY SCHOOLS EMPLOYEES' PENSION FUND

6201 Powers Ferry Road NW • Atlanta, GA 30339 • Phone 470-254-0102 • Fax 470-254-1238

Application for Refund of Pension Contributions

Instructions:

IMPORTANT! The refund of contributions for which you are applying includes funds that are taxable to you. Before you apply for this refund, you should read the attached SPECIAL TAX NOTICE regarding taxes and direct rollovers of taxable funds. Federal tax law requires that you have this special Tax Notice at least 30 days, but no more than 90 days, before payment is made to you.

Therefore, after you have been terminated from the Fulton County Board of Education and you have received your final payroll check from the Fulton County Board of Education, and after your application is properly completed and received by our office; Fulton County Schools Employees' Pension Fund will issue your refund check on the monthly payroll following a period of 60 to 90 days.

Instructions:

1. Answer all questions on the Application for Refund of Contributions. Failure to complete all portions of the application will delay the processing of your refund.

2. For a direct rollover of funds: Provide your name, your social security number, and mailing address. Check the box indicating that you are electing a direct rollover and check the box indicating that your rollover is to an IRA or Eligible Retirement Plan. Provide the name of the IRA or Eligible Plan, the account number, and the mailing address of your IRA or Eligible Plan. Check the appropriate box to indicate a rollover of all taxable funds or a specified amount. **(Fulton County Schools Pension will withhold 20% Federal tax from any taxable funds that you do not roll over.)** Indicate in the box provided if you want Georgia income tax deducted from any taxable funds paid directly to you.

3. To roll over after-tax contributions, check the appropriate box and attach documentation that your eligible plan or IRA ACCEPTS AFTER TAX CONTRIBUTIONS. If you will roll over after-tax contributions to a separate IRA/Eligible Plan, ask for another copy of this form. Otherwise your after-tax contributions will be paid directly to you if

you do not elect a rollover.

4. For payment of all funds directly to you: Provide your name, your social security number, and your mailing address. Check the box indicating that you are electing payment directly to you. Indicate in the box provided if you want Georgia income tax deducted from the taxable portion of your check. **Fulton Schools Pension is required by federal law to withhold 20% federal withholding.** There is no tax liability on after-tax contributions.

5. Sign and date the application in the spaces provided.

6. **Attach a photocopy of official personal identification.** Acceptable forms of identification are: driver's license, certified birth certificate, passport, immigration papers, or state ID issued in lieu of a driver's license. **Your application will not be processed without this identification.**

Information regarding receipt of refund check

A. Your refund can only be made after the date you terminate all employment covered by Fulton County Schools Employees' Pension Fund.

B. A check will be issued refunding your contributions that have been reported by the Fulton County Board of Education and updated to your account. This check will not be issued by the Fulton County Schools Employees' Pension Fund until you have received your final paycheck and been terminated by the Fulton County Board of Education. If a second check is deemed necessary for any reason, your original election regarding rollovers and tax withholding will apply to any second check unless you make a new election in writing before the second check is processed.

C. Refund checks cannot be forwarded by the Post Office. If you move before you receive your check, you should notify the pension office, in writing, of your new address. Changes of address cannot be made by phone.

D. If you have at least 10 years of creditable service, you have a vested right to a monthly benefit at the time you reach age 65. If you have ten years of service and you have terminated your employment, you may 'freeze' your account at this time and apply for monthly benefits as early as 180 days prior to your 65th birthday. If you are already age 65 with 10 years of service, you are immediately eligible for a monthly benefit and should contact the pension office. **If you withdraw your contributions, you forfeit all rights to a monthly benefit.**

E. The Fulton County Schools Employees' Pension Fund (FCSEPF) is a Qualified Retirement Plan as defined in IRC § 401(a). A refund of contributions from this retirement system is a lump sum distribution. You may not elect a partial refund. Your refund may consist of both taxable and nontaxable funds. Federal tax law requires that you have the Special Tax Notice for thirty days before FCSEPF can issue your refund check.

F. Your contributions to FCSEPF made after January 1, 1991 are subject to both Federal and Georgia income tax. All contributions that you made to FCSEPF before January 1, 1991 are after-tax employee contributions. These contributions can be mailed directly to you and there is no tax liability to you for receipt of these funds. You may elect to roll these funds directly to your other eligible retirement plan or IRAS if the other plan or IRA accepts after-tax contributions and accounts for these contributions separately from the taxable portion of your refund.

G. You are encouraged to consult your tax advisor before submitting this form and making the elections indicated in it.

FULTON COUNTY SCHOOLS EMPLOYEES' PENSION FUND
SPECIAL TAX NOTICE

The following notice is based on the model notice under IRS Notice 2020-62 and is intended to comply with Internal Revenue Code Section 402(f). This is general tax information and is not tax advice specific to any participant or beneficiary. You are encouraged to consult with your tax advisor when taking a distribution from the Plan.

YOUR ROLLOVER OPTIONS

You are receiving this notice because all or a portion of a payment you are receiving from the **Fulton County Schools Employees' Pension Fund** (the "Plan") 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.

This notice describes the rollover rules that apply to payments from the Plan that are not from a designated Roth account (a type of account in some employer plans that is subject to special tax rules) and is not payable from the Plan.

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, including rules applicable to after-tax contributions.

GENERAL INFORMATION ABOUT ROLLOVERS

How can a rollover affect my taxes?

You will be taxed on a payment from the Plan if you do not roll it over. If you are under age 59½ and do not do a rollover, you will also have to pay a 10% additional income tax on early distributions (generally, distributions made before age 59½), unless an exception applies.

However, if you do a rollover, you will not have to pay tax until you receive payments later and the 10% additional income tax will not apply if those payments are made after you are age 59½ (or if an exception to the 10% additional income tax applies).

What types of retirement accounts and plans may accept my rollover?

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 plan, section 403(b) plan, or governmental section 457(b) 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 from the IRA or employer plan (for example, IRAs are not subject to spousal consent rules 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.

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, the Plan 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, you may still do a rollover by making a deposit into an IRA or eligible employer plan that will accept it. Generally, you will have 60 days after you receive the payment to make the deposit. If you do not do a direct rollover, the Plan is required to withhold 20% of the payment for federal income taxes (up to the amount of cash and property received). 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. 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 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 the Plan 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 joint lives or joint life expectancies of you and your beneficiary);
- Required minimum distributions after age 70½ (if you were born before July 1, 1949), after age 72 (if you were born after June 30, 1949), or after death;
- Hardship distributions;
- Corrective distributions of contributions that exceed tax law limitations;
- Loans treated as deemed distributions (for example, loans in default due to missed payments before your employment ends);
- Cost of life insurance paid by the Plan;
- Amounts treated as distributed because of a prohibited allocation of S corporation stock under an ESOP (also, there generally will be adverse tax consequences if you roll over a distribution of S corporation stock to an IRA); and
- Distributions of certain premiums for health and accident insurance.

The Plan administrator or the payor can tell you what portion of a payment is eligible for rollover.

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

If you are under age 59½, you will have to pay the 10% additional income tax on early distributions for any payment from the Plan (including amounts withheld for income tax) that you do not roll over, unless one of the exceptions listed below applies. This tax applies to the part of the distribution that you must include in income and 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 the Plan:

- 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 joint lives or joint life expectancies of you and your beneficiary);
- Payments from a governmental plan made after you separate from service if you are a qualified public safety employee and you will be 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;
- Cost of life insurance paid by the Plan;
- Payments made directly to the government to satisfy a federal tax levy;
- Payments made under a qualified domestic relations order (QDRO);
- Payments of up to \$5,000 made to you from a defined contribution plan if the payment is a qualified birth or adoption distribution;
- Payments up to the amount of your deductible medical expenses (without regard to whether you itemize deductions for the taxable year);
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001 for more than 179 days;
- Payments excepted from the additional income tax by federal legislation relating to certain emergencies and disasters; and
- Phased retirement payments made to federal employees.

If I do a rollover to an IRA, will the 10% 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% additional income tax on early distributions on the part of the distribution that you must

include in income, 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:

- The exception for payments made after you separate from service if you will be at least age 55 in the year of the separation (or age 50 for qualified public safety employees) does not apply.
- 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.

Additional exceptions apply for payments from an IRA, including:

- payments for qualified higher education expenses,
- payments up to \$10,000 used in a qualified first-time home purchase, and
- 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).

Will I owe State income taxes?

This notice does not describe any State or local income tax rules (including withholding rules).

SPECIAL RULES AND OPTIONS

If your payment includes after-tax contributions

After-tax contributions included in a payment are not taxed. If you receive a partial payment

of your total benefit, an allocable portion of your after-tax contributions is included in the payment, so you cannot take a payment of only after-tax contributions. However, 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 the payment. In addition, special rules apply when you do a rollover, as described below.

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 direct rollover of only a portion of the amount paid from the Plan and at the same time the rest is paid to you, the portion rolled over consists first of the amount that would be taxable if not rolled over. For example, assume you are receiving a distribution of \$12,000, of which \$2,000 is after-tax contributions. In this case, if you directly roll over \$10,000 to an IRA that is not a Roth IRA, 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 the Plan to two or more destinations at the same time, you can choose which destination receives the after-tax contributions.

Similarly, if you do a 60-day rollover to an IRA of only a portion of a payment made to you, the portion rolled over consists first of the amount that would be taxable if not rolled over. For example, assume you are receiving a distribution of \$12,000, 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 \$10,000 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 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.

If you 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. 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 from the IRS, 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 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*.

If your payment is from a governmental section 457(b) plan

If the Plan is a governmental section 457(b) plan, the same rules described elsewhere in this notice generally apply, allowing you to roll over the payment to an IRA or an employer plan that accepts rollovers. One difference is that, if you do not do a rollover, you will not have to pay the 10% additional income tax on early distributions from the Plan even if you are under age 59½ (unless the payment is from a separate account holding rollover contributions that were made to the Plan from a tax-qualified plan, a section 403(b) plan, or an IRA). However, if you do a rollover to an IRA or to an employer plan that is not a governmental section 457(b) plan, a later distribution made before age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies).

If you are an eligible retired public safety officer and your payment is used to pay for health coverage or qualified long-term care insurance

If the Plan is a governmental plan, you retired as a 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 public safety officer is a law enforcement officer, firefighter, chaplain, or member of a rescue squad or ambulance crew.

If you roll over your payment to a Roth IRA

If you roll over a payment from the Plan 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 5 years, counting from January 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 59½ (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% 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), and IRS Publication 590-B, Distributions from Individual Retirement Arrangements (IRAs).

If you are not a Plan participant

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

If you are a surviving spouse. If you receive a payment from the Plan as the surviving spouse of a deceased participant, you have the same rollover options that the participant 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 59½ 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 70½ (if you were born before July 1, 1949) or age 72 (if you were born after June 30, 1949).

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 participant had started taking required minimum distributions, you will have to receive required minimum distributions from the inherited IRA. If the participant had not started taking required minimum distributions from the Plan, you will not have to start receiving required minimum distributions from the inherited IRA until the year the participant would have been age 70 ½ (if the participant was born before July 1, 1949) or age 72 (if the participant was born after

June 30, 1949).

If you are a surviving beneficiary other than a spouse. If you receive a payment from the Plan because of the participant'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% 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 participant who receives a payment from the Plan under a qualified domestic relations order (QDRO), you generally have the same options and the same tax treatment that the participant would have (for example, you may roll over the payment to your own IRA or an eligible employer plan that will accept it). However, payments under the QDRO will not be subject to the 10% additional income tax on early distributions. The Plan does not permit QDRO payments.

If you are 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%, the Plan 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

If a payment is one in a series of payments for less than 10 years, your choice whether to do 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, the Plan is not required to allow you to do a direct rollover and is not required to withhold federal income taxes. However, you may do a 60-day rollover.

Unless you elect otherwise, a mandatory cashout of more than \$1,000 will be directly rolled over to an IRA chosen by the Plan administrator or the payor. A mandatory cashout is a payment from a plan to a participant made before age 62 (or normal retirement age, if later) and without consent, where the participant's benefit does not exceed \$5,000 (not including any amounts held under the plan as a result of a prior rollover made to the plan).

You may have special rollover rights if you recently served in the U.S. Armed Forces. For more information on special rollover rights related to the U.S. Armed Forces, see IRS Publication 3, *Armed Forces' Tax Guide*. You also may have special rollover rights if you were affected by a federally declared disaster (or similar event), or if you received a distribution on account of a disaster. For more information on special rollover rights related to disaster relief, see the IRS website at www.irs.gov.

FOR MORE INFORMATION

You may wish to consult with the Plan administrator or payor, or a professional tax advisor, before taking a payment from the Plan. 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-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, on the web at www.irs.gov, or by calling 1-800-TAX-FORM.