



THE COMMONWEALTH OF MASSACHUSETTS State Retirement Board

ONE WINTER STREET, 8TH FLOOR, BOSTON, MA 02108

APPLICATION TO WITHDRAW ACCUMULATED RETIREMENT DEDUCTIONS (REFUND/ROLLOVER REQUEST FORM)

IMPORTANT:

- ▶ THE BOARD DOES NOT ACCEPT FAXED OR EMAILED APPLICATIONS BECAUSE ORIGINAL SIGNATURES ARE REQUIRED.
- ▶ A return of the member's accumulated deductions **terminates membership** in the Massachusetts State Employees' Retirement System and the rights associated with membership. For more information call (617) 367-7770 or 1-800-392-6014 (within MA).

I HEREBY CERTIFY THAT: *(please check every option as acknowledgement that you have read each statement.)* 

- I am not on a paid or unpaid leave of absence.
- I am not presently receiving worker's compensation benefits under General Laws, c. 152 or injured on duty payments c. 41, §111F.
- I do not have a claim for worker's compensation or an application for ordinary or accidental disability pending.
- I am not currently appealing my termination or planning to appeal my termination.
- I have not been charged with an offense or convicted of any crime relating to my position while in State Service.
- I understand that by withdrawing my accumulated deductions, I lose all the rights associated with membership in the Massachusetts State Employees' Retirement System ("MSERS").
- I understand that by withdrawing my accumulated deductions, if I have 10 years of creditable service, I am waiving my right to monthly pension benefits upon reaching the age of 55 if I became a member before 4/2/2012, or age 60 if I became a member on or after 4/2/2012.
- I understand that if I have 20 or more years of creditable service and I became a member before 4/2/2012, I am eligible for a monthly pension benefit and by withdrawing my accumulated deductions I am waiving my right to monthly pension benefits.
- I am not accepting a position which would make me eligible for membership in another General Laws, c. 32 Public Retirement System, such as for a County, City, or Town, political subdivision or similar retirement system.
- I do not have funds on account with any other General Laws, c. 32 Public Retirement System, such as for a County, City, or Town, political subdivision or similar retirement system.
- If you are divorced and a party to a Domestic Relations Order (DRO), please include a copy of your DRO with this application.**

THIS SECTION BOARD USE ONLY

Print Member Name

*Original Signature Required**

Member's Signature (Original Signature Required*)

Date

***A computer generated or other non-original signature is NOT acceptable.**

SECTION A - TO BE READ AND COMPLETED BY MEMBER:

I, the undersigned, having left the service of the Commonwealth of Massachusetts or one of the non-Commonwealth entities that participates in the MSERS, request payment to me of the accumulated total deductions now standing to my credit in the annuity savings fund of the MSERS. In consideration of such payment, all other rights and privileges to which I was entitled as a member of the Retirement System are surrendered and I understand that upon such payment, my membership in the MSERS will terminate. I understand that if I completed 20 or more years of creditable service and I became a member before 4/2/2012, in lieu of receiving my lump sum refund I could elect to receive a retirement pension. I understand a member in service subsequent to 1-01-78 and before 4/2/2012, who has completed 10 or more years of creditable service, who resigns or voluntary terminates service and leaves accumulated total deductions in the annuity savings fund, shall have the right upon attaining age 55 to apply for a retirement allowance. I further understand that if I return to active service, I do so with the status of a new employee subject to plan rules in effect at that time and not entitled to credit for my previous service, unless, before the date any retirement allowance becomes effective for me, I pay into the annuity savings fund deductions withdrawn by me, together with regular interest.

MEMBER INFORMATION:

Print Member Name:	
Provide the Last Four Digits of Your Social Security Number, or MSRB ID, or HRCMS ID:	
Street Address:	
City, State, Zip:	
Personal Email:	Telephone:

MUST SELECT ONE OF THE FOLLOWING:

- REFUND REQUEST:** (Note, paper check will be mailed to the address above. If no option is checked, the refund will default to a paper check.)
 - PAPER CHECK, OR**
 - DIRECT DEPOSIT (Please complete the form on pages 5 and 6.)**
- ROLLOVER REQUEST:** Please complete SECTION B below.

IMPORTANT: Participants who do not select the direct rollover option will be subject to a 20% Federal Withholding Tax on the taxable portion of the distribution even if funds are deposited into an eligible plan within the 60-day grace period. Participants who choose the direct rollover option to the Commonwealth’s Deferred Compensation SMART Plan must have an account open with the administrator of that Plan.

Complete the following statement:

I _____ from my position as _____
(Resigned/Was Dismissed) (Position/Title)

in _____
(Name of Agency) *Original Signature Required**
(Signature - DO NOT PRINT YOUR NAME)

***A computer generated or other non-original signature is NOT acceptable.**

SECTION B - PLEASE COMPLETE IF REQUESTING A ROLLOVER:

YOU MUST HAVE AN ACCOUNT OPEN WITH A QUALIFIED RETIREMENT PLAN IN ORDER FOR US TO PROCESS YOUR ROLLOVER REQUEST Please complete all of the information below. If you do not have an account already open with a qualified plan, you must open one BEFORE submitting this form to your payroll/personnel department. If your plan has its own standard form or letter containing the necessary information needed to process your rollover, please attach your plan’s own original document to this form.

Check if company form attached.

Type of Plan: <input type="checkbox"/> Traditional IRA <input type="checkbox"/> Section 401(a) <input type="checkbox"/> Section 403(a) <input type="checkbox"/> Section 403(b) <input type="checkbox"/> 401(k)	
<input type="checkbox"/> Section 457(b) governmental plan <input type="checkbox"/> Roth IRA <input type="checkbox"/> Simple IRA	
Company Name:	Contact Person:
Street Address:	
City, State, Zip:	Telephone:
Account No. (if available):	
Make Check Payable To:	

SECTION C - TO BE COMPLETED BY YOUR PAYROLL/PERSONNEL DEPARTMENT:

NOTE: Due to the increased volume of refund/rollover applications the total processing time for completed applications is currently 12+ weeks. A completed application includes SECTION C - TO BE COMPLETED BY YOUR LAST PAYROLL/PERSONNEL DEPARTMENT. If Section C is not received, your application is not considered complete and cannot be processed.

This is to notify you that:

PRINT Full Name (<i>maiden, if appl.</i>):	
Provide the Last Four Digits of Your Social Security Number, or MSRB ID, or HRCMS ID:	Employed by (<i>State Agency</i>):
Employee: <input type="checkbox"/> Resigned <input type="checkbox"/> Was Dismissed	Separation from Service was: <input type="checkbox"/> Voluntary <input type="checkbox"/> Involuntary
If Terminated, is employee appealing his/her termination? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Start Date:	Membership Date:
Last Date on Payroll:	Last Day Worked:
Has employee accepted any retirement or termination incentive payments as part of his/her separation from service? <input type="checkbox"/> Yes* <input type="checkbox"/> No	
*If yes, please provide documentation.	
Is Workman's Compensation being paid/pending on this employee? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, please give date of injury: _____ (Month/Day/Year) Was there a Lump Sum settlement? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Has this employee been officially investigated for, or charged with, misappropriation of funds or property from his employer or convicted of any crime related to his/her office or position? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Does the employee owe any money to the employer under an employee benefit plan, including a cafeteria plan established pursuant to 26 U.S.C. section 125? <input type="checkbox"/> Yes <input type="checkbox"/> No	

IMPORTANT: If employee was less than full-time, please attach list with dates and ratio(s).

IMPORTANT: Attach list with all dates of **unpaid** leaves of absences.

List below monthly retirement deductions for the last 2 (two) months on which employee appeared:

(Month/Year)	\$ (Amount)	(Month/Year)	\$ (Amount)
Payroll/Personnel Administrator (Please Print)	Email Address	Telephone Number	

Original Signature Required*

(Authorized Signature)

(Date)

***A computer generated or other non-original signature is NOT acceptable.**

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**AUTHORIZATION FOR
 DIRECT DEPOSIT
 OF REFUND**

Please complete all sections and sign below. Incomplete forms will not be processed.

1. BENEFIT RECIPIENT (required)

Name:		
Street Address:		
City:	State:	Zip:
Telephone:	Email Address:	
(Last four digits of Social Security number ONLY) XXX-XX-	MSRB ID # (if known):	

2. ACCOUNT INFORMATION (required)

Name of Financial Institution:	
All Names on Account:	
Routing #:	
Depositor Account #:	
Indicate account type (check one)	ATTACH this required documentation
<input type="checkbox"/> Checking	An original VOIDED check that is imprinted with your name, address, bank name and routing number, and account number. Temporary or starter checks will not be accepted. If you do not have checks personalized with your name and address, you must attach your bank's signed, official account verification document. 
<input type="checkbox"/> Savings	Your bank's signed, official account verification document indicating your name, address, bank name and routing number, and account number. A deposit slip will not be accepted.
Indicate account ownership (check one)	
<input type="checkbox"/> Individual:	
<input type="checkbox"/> Joint: (ALL additional joint account holders (other than the Benefit Recipient) MUST complete and sign Part 4 on Page 6.)	
<input type="checkbox"/> I am the benefit recipient's Power of Attorney (POA), Guardian, or Conservator. (You MUST also complete Parts 3 and 5.)	
<input type="checkbox"/> Trust: ATTACH a Certification of Trust that names the benefit recipient as a trustee or a beneficiary of the trust, and check this box.	

3. PLEASE SIGN BELOW (required)

"I, _____ hereby authorize the State Treasurer to deposit my REFUND of ACCUMULATED RETIREMENT DEDUCTIONS into my account at the financial institution named above. The State Treasurer is also authorized to debit or credit my account, to adjust any over deposit which it has caused to be made to my account, and to obtain any nonpublic personal information related to me on record with above financial institution. This authorization will remain in effect until revoked by me with thirty (30) days written notice to the Treasurer and Receiver General, One Winter Street, 8th Floor, Boston, MA 02108, or by the State Treasurer.

I certify that I am the person entitled to receive the payment under this application. I also certify that the information herein provided is accurate to the best of my knowledge."

*Original Signature Required**

 Signature - DO NOT PRINT YOUR NAME

 Date

***A computer generated or other non-original signature is NOT acceptable.**



PLEASE COMPLETE PART 4 AND 5 BELOW (if applicable)

4. JOINT ACCOUNT HOLDERS' INFORMATION AND CERTIFICATION (if applicable)

If your payment is being deposited to a JOINT account, Part 4 must be completed and signed by ALL other account holders. If there are more than two other account holders, attach additional copies of Part 4.

By signing below, and as a party to this account, I understand that I am personally liable, both individually and as a member of the group of parties to this account, to the Massachusetts State Employees' Retirement System (MSERS), which has the legal obligation to recover any overpayment, for the repayment of any monies deposited to this account to which the benefit recipient named on page 5 is not legally entitled. If I am entitled to any benefit from the MSERS as a beneficiary of the benefit recipient, the amount of my liability may be deducted from the amount payable to me. I agree that the financial institution shall have the right of offset for such a refund and I authorize the financial institution to provide the MSERS with my home address. I release the MSERS, the financial institution, and their respective employees, from any and all liability, costs, damages, or expenses arising from such disclosure and/or refund.

Joint account holder

Your signature: <i>Original Signature Required*</i>	Date:
Name:	(Last four digits of Social Security number ONLY) XXX-XX-
Street Address:	Telephone:
City/State/Zip:	Email Address:

Joint account holder

Your signature: <i>Original Signature Required*</i>	Date:
Name:	(Last four digits of Social Security number ONLY) XXX-XX-
Street Address:	Telephone:
City/State/Zip:	Email Address:

5. POWER OF ATTORNEY (POA), GUARDIAN OR CONSERVATOR INFORMATION (if applicable)

If you have Power of Attorney, or are Guardian or Conservator of the benefit recipient named in Part 1 on page 5 of this form, and have completed this form on his or her behalf, please complete Part 3 and this section.

My current Power of Attorney, Guardianship or Conservator documentation is (check one):

On file with the MSERS Attached to this form

Name:	(Last four digits of Social Security number ONLY) XXX-XX-
Street Address:	Telephone:
City/State/Zip:	Email Address:

***If including a voided check, please attach. Do not staple.**

1a First name and middle initial	Last name	1b Social security number
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Address _____

City or town, state, and ZIP code _____

Your withholding rate is determined by the type of payment you will receive.

- For nonperiodic payments, the default withholding rate is 10%. You can choose to have a different rate by entering a rate between 0% and 100% on line 2. Generally, you can't choose less than 10% for payments to be delivered outside the United States and its territories.
- For an eligible rollover distribution, the default withholding rate is 20%. You can choose a rate greater than 20% by entering the rate on line 2. You may not choose a rate less than 20%.

See page 2 for more information.

2 Complete this line if you would like a rate of withholding that is different from the default withholding rate. See the instructions on page 2 and the Marginal Rate Tables below for additional information. Enter the rate as a whole number (no decimals)	2	%
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Sign Here	Your signature (This form is not valid unless you sign it.) _____	Date _____
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about any future developments related to Form W-4R, such as legislation enacted after it was published, go to www.irs.gov/FormW4R.

Purpose of form. Complete Form W-4R to have payers withhold the correct amount of federal income tax from your nonperiodic payment or eligible rollover distribution from an employer retirement plan, annuity (including a commercial annuity), or individual retirement arrangement (IRA). See page 2 for the rules and options that are available for each type of payment. Don't use Form W-4R for periodic

payments (payments made in installments at regular intervals over a period of more than 1 year) from these plans or arrangements. Instead, use Form W-4P, Withholding Certificate for Periodic Pension or Annuity Payments. For more information on withholding, see Pub. 505, Tax Withholding and Estimated Tax.

Caution: If you have too little tax withheld, you will generally owe tax when you file your tax return and may owe a penalty unless you make timely payments of estimated tax. If too much tax is withheld, you will generally be due a refund when you file your tax return. Your withholding choice (or an election not to have withholding on a nonperiodic payment) will generally apply to any future payment from the same plan or IRA. Submit a new Form W-4R if you want to change your election.

2026 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 page 2 for more information on how to use this table.

Single or Married filing separately		Married filing jointly or Qualifying surviving spouse		Head of household	
<i>Total income over—</i>	Tax rate for every dollar more	<i>Total income over—</i>	Tax rate for every dollar more	<i>Total income over—</i>	Tax rate for every dollar more
\$0	0%	\$0	0%	\$0	0%
16,100	10%	32,200	10%	24,150	10%
28,500	12%	57,000	12%	41,850	12%
66,500	22%	133,000	22%	91,600	22%
121,800	24%	243,600	24%	129,850	24%
217,875	32%	435,750	32%	225,900	32%
272,325	35%	544,650	35%	280,350	35%
656,700*	37%	800,900	37%	664,750	37%

* If married filing separately, use \$400,450 instead for this 37% rate.

General Instructions (continued)

Nonperiodic payments—10% withholding. Your payer must withhold at a default 10% rate from the taxable amount of nonperiodic payments **unless** you enter a different rate on line 2. Distributions from an IRA that are payable on demand are treated as nonperiodic payments. Note that the default rate of withholding may not be appropriate for your tax situation. You may choose to have no federal income tax withheld by entering “-0-” on line 2. See the specific instructions below for more information. Generally, you are not permitted to elect to have federal income tax withheld at a rate of less than 10% (including “-0-”) on any payments to be delivered outside the United States and its territories.

Note: If you don’t give Form W-4R to your payer, you don’t provide an SSN, or the IRS notifies the payer that you gave an incorrect SSN, then the payer must withhold 10% of the payment for federal income tax and can’t honor requests to have a lower (or no) amount withheld. Generally, for payments that began before 2026, your current withholding election (or your default rate) remains in effect unless you submit a Form W-4R.

Eligible rollover distributions—20% withholding.

Distributions you receive from qualified retirement plans (for example, 401(k) plans and section 457(b) plans maintained by a governmental employer) or tax-sheltered annuities that are eligible to be rolled over to an IRA or qualified plan are subject to a 20% default rate of withholding on the taxable amount of the distribution. You can’t choose withholding at a rate of less than 20% (including “-0-”). Note that the default rate of withholding may be too low for your tax situation. You may choose to enter a rate higher than 20% on line 2. Don’t give Form W-4R to your payer unless you want more than 20% withheld.

Note that the following payments are **not** eligible rollover distributions for purposes of these withholding rules:

- Qualifying “hardship” distributions;
- Distributions required by federal law, such as required minimum distributions;
- Distributions from a pension-linked emergency savings account;
- Eligible distributions to a domestic abuse victim;
- Qualified disaster recovery distributions;
- Qualified birth or adoption distributions;
- Qualified long-term care distributions; and
- Emergency personal expense distributions.

See Pub. 505 for details. See also *Nonperiodic payments—10% withholding* above.

Payments to nonresident aliens and foreign estates. Do not use Form W-4R. See Pub. 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*, and Pub. 519, *U.S. Tax Guide for Aliens*, for more information.

Tax relief for victims of terrorist attacks. If your disability payments for injuries incurred as a direct result of a terrorist attack are not taxable, enter “-0-” on line 2. See Pub. 3920, *Tax Relief for Victims of Terrorist Attacks*, for more details.

Specific Instructions

Line 1b

For an estate, enter the estate’s employer identification number (EIN) in the area reserved for “Social security number.”

Line 2

More withholding. If you want more than the default rate withheld from your payment, you may enter a higher rate on line 2.

Less withholding (nonperiodic payments only). If permitted, you may enter a lower rate on line 2 (including “-0-”) if you want less than the 10% default rate withheld from your payment. If you have already paid, or plan to pay, your tax on this payment through other withholding or estimated tax payments, you may want to enter “-0-”.

Suggestion for determining withholding. Consider using the Marginal Rate Tables on page 1 to help you select the appropriate withholding rate for this payment or distribution. The tables are most accurate if the appropriate amount of tax on all other sources of income, deductions, and credits has been paid through other withholding or estimated tax payments. If the appropriate amount of tax on those sources of income has not been paid through other withholding or estimated tax payments, you can pay that tax through withholding on this payment by entering a rate that is greater than the rate in the Marginal Rate Tables.

The marginal tax rate is the rate of tax on each additional dollar of income you receive above a particular amount of income. You can use the table for your filing status as a guide to find a rate of withholding for amounts above the total income level in the table.

To determine the appropriate rate of withholding from the table, do the following. Step 1: Find the rate that corresponds with your total income not including the payment. Step 2: Add your total income and the taxable amount of the payment and find the corresponding rate.

If these two rates are the same, enter that rate on line 2. (See *Example 1* below.)

If the two rates differ, multiply (a) the amount in the lower rate bracket by the rate for that bracket, and (b) the amount in the higher rate bracket by the rate for that bracket. Add these two numbers; this is the expected tax for this payment. To get the rate to have withheld, divide this amount by the taxable amount of the payment. Round up to the next whole number and enter that rate on line 2. (See *Example 2* below.)

If you prefer a simpler approach (but one that may lead to overwithholding), find the rate that corresponds to your total income including the payment and enter that rate on line 2.

Examples. Assume the following facts for *Examples 1* and *2*. Your filing status is single. You expect the taxable amount of your payment to be \$20,000. Appropriate amounts have been withheld for all other sources of income and any deductions or credits.

Example 1. You expect your total income to be \$70,000 without the payment. Step 1: Because your total income without the payment, \$70,000, is greater than \$66,500 but less than \$121,800, the corresponding rate is 22%. Step 2: Because your total income with the payment, \$90,000, is greater than \$66,500 but less than \$121,800, the corresponding rate is 22%. Because these two rates are the same, enter “22” on line 2.

Example 2. You expect your total income to be \$60,000 without the payment. Step 1: Because your total income without the payment, \$60,000, is greater than \$28,500 but less than \$66,500, the corresponding rate is 12%. Step 2: Because your total income with the payment, \$80,000, is greater than \$66,500 but less than \$121,800, the

corresponding rate is 22%. The two rates differ. \$6,500 of the \$20,000 payment is in the lower bracket (\$66,500 less your total income of \$60,000 without the payment), and \$13,500 is in the higher bracket (\$20,000 less the \$6,500 that is in the lower bracket). Multiply \$6,500 by 12% to get \$780. Multiply \$13,500 by 22% to get \$2,970. The sum of these two amounts is \$3,750. This is the estimated tax on your payment. This amount corresponds to 19% of the \$20,000 payment (\$3,750 divided by \$20,000). Enter "19" on line 2.

Privacy Act and Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to provide this information only if you want to (a) request additional federal income tax withholding from your nonperiodic payment(s) or eligible rollover distribution(s); (b) choose not to have federal income tax withheld from your nonperiodic payment(s), when permitted; or (c) change a previous Form W-4R (or a previous Form W-4P that you completed with respect to your nonperiodic payments or eligible rollover distributions). To do any of the aforementioned, you are required by sections 3405(e) and 6109 and their regulations to provide the information requested on this form. Failure to provide this information may result in inaccurate withholding on your payment(s).

Failure to provide a properly completed form will result in your payment(s) being subject to the default rate; providing fraudulent information may subject you to penalties.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. commonwealths and territories for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The average time and expenses required to complete and file this form will vary depending on individual circumstances. For estimated averages, see the instructions for your income tax return.

If you have suggestions for making this form simpler, we would be happy to hear from you. See the instructions for your income tax return.

REFUND REQUEST FORM EMPLOYEE INSTRUCTIONS:

PLEASE NOTE: THE BOARD CANNOT ACCEPT FAXED OR EMAILED APPLICATIONS BECAUSE ORIGINAL SIGNATURES ARE REQUIRED.

1. Please read **Important Notice Regarding Eligibility for Withdrawal of Accumulated Total Deductions (Refund) to Members** below and the **Special Tax Notice Regarding Lump Sum Distributions** on pages 8-9 prior to completing this form.
2. Complete page 1 and SECTION A of the Refund Request Form. *Print all information*, except your signature. IF REQUESTING A REFUND skip SECTION B and go to number 4 in these instructions.
3. If REQUESTING A ROLLOVER: **Complete SECTION B.** If your Plan Administrator has a preprinted form, please attach and check off the box advising us that the form is attached. You do not need to complete SECTION B if a form/letter from your Plan Administrator is attached. You *must have an account open* with a qualified plan in order for the rollover to be processed.
4. Send your Refund Request form to your Payroll/Personnel department where you were last employed to complete SECTION C. **Your Payroll/Personnel department will forward your Refund Request Form directly to the State Retirement Board.**

Effective January 1, 1993 federal law requires the State Retirement Board to implement a withholding provision on the taxable portion of a member's contributions and interest. The withholding rate is 20% of the taxable portion of the refund.

The withholding provisions can be avoided by "rolling over" these taxable funds to a qualified plan. The name of the institution where the money will be transferred must be identified on page 2 of this application. The Commonwealth of Massachusetts' retirement system is "qualified" under Sections 401 and 405 of the Internal Revenue Code. Withdrawals not rolled over may also be subject to a 10% penalty under certain conditions. Please consult the IRS or a tax advisor for further information. Your check stub will show a breakdown of your refund/rollover. Next year you will receive an IRS Form 1099-R Form from this office.

IMPORTANT NOTICE REGARDING ELIGIBILITY FOR WITHDRAWAL OF ACCUMULATED TOTAL DEDUCTIONS (REFUND) TO MEMBERS:

- ▶ If you leave the service of the Commonwealth of Massachusetts and do not intend to take a position in the Commonwealth of Massachusetts subject to the provisions of section I to 28 of Chapter 32 of the General Laws.
- ▶ If your retirement allowance is less than \$360.00 a year you must receive a refund instead of the allowance.

IF YOU ENTERED SERVICE AFTER JANUARY 1, 1984, YOU ARE ELIGIBLE FOR A REFUND OF THE INTEREST CREDITED TO YOUR ACCOUNT ACCORDING TO THE FOLLOWING SCHEDULE:

1. If you have less than ten (10) years of creditable service and you VOLUNTARILY terminated service, you will be credited with 3% interest on your total deductions.
2. If you have more than ten (10) years of creditable service or you INVOLUNTARILY withdraw from state service your total deductions will be credited with regular interest. Also, if you have ten (10) or more years of creditable service, call the State Retirement Board – you may be vested and eligible for retirement at age 55.

No interest will accrue to your account after two years from the date of your separation from employment.

Contributions made prior to January 12, 1988 were taxed. For those members with contributions before and after January 12, 1988, separate withdrawal disbursements are issued for the before and after periods.

TWO-YEAR RULE:

If you are withdrawing your retirement deductions or rolling over your funds to another retirement plan, you may be required to satisfy certain service requirements in the future if you return to employment with the Commonwealth and before you can be eligible for particular retirement benefits. Should you return to public service and if the above applies to you, you would not be eligible to receive a retirement allowance until you have been in active membership services for at least two consecutive years following the start of your new employment with the Commonwealth unless you meet one of the applicable exceptions. We recommend you contact the Board to determine if this applies to you and to review the applicable exceptions.

IMPORTANT NOTICE TO REFUND APPLICANTS WHO ENTERED SERVICE BEFORE APRIL 2, 2012:

If you entered service prior to April 2, 2012 and you take a refund or a rollover of your contributions you are terminating your membership. If you later return to state service, your membership date will be the date you reenter service, even if you buy back any refunded contributions. You will also be subject to the retirement law changes which went into effect on April 2, 2012 (Chapter 176 of the Acts of 2011). These changes include, but are not limited to:

- ▶ New age factor table for your retirement benefit calculation

- ▶ An increase in the salary average period used to calculate most benefits from 3 years to 5 years
- ▶ An increase in the minimum retirement age

You have the option of leaving your funds in the system to retain your current level of benefits. The State Retirement Board recommends you consult with a Retirement Counselor prior to making your final refund decision. You can reach a counselor by calling 617-367-7770.

FEDERAL REQUIREMENTS:

Effective January 1, 1993, employers are required to offer plan participants trustee-to-trustee transfer. Participants who DO NOT choose the direct transfer are subject to a 20 percent federal withholding on the taxable portion of the distribution even if they deposit the rollover into another eligible plan within the existing 60-day grace period.

You may be entitled to income averaging. The State Retirement Board recommends you consult with a qualified tax preparer.

ADDITIONAL ROLLOVER INFORMATION:

For MSERS Participants Requesting Return of Accumulated Pension Deductions

Option to roll over Accumulated Deductions into the Commonwealth's Deferred Compensation SMART Plan

You have the option to roll over your accumulated pension deductions into your account with the Commonwealth's Deferred Compensation SMART Plan upon your separation from service. To qualify for this option, **you must have established an account with the Deferred Compensation SMART Plan prior to your separation from service.**

It is a simple **three-step process** to roll your pension deductions into your Plan account:

1. Complete SECTION A of this form, and have your Deferred Compensation representative fill out SECTION B of the attached Refund Request Form. Your representative will assist in completing the form and answer any questions you may have about making a rollover contribution into the Commonwealth's Deferred Compensation SMART Plan.
2. Forward this completed form to your payroll administrator for completion of SECTION C.
3. Your payroll/personnel department will return the form to the State Retirement Board for processing.

QUALIFIED PUBLIC SAFETY EMPLOYEES:

On and after August 18, 2006, if you are a "qualified public safety employee" who terminates employment in the calendar year in which you are age 50 or older, and receive an eligible distribution, you will not have to pay the additional 10% tax on the distribution PAID TO YOU. You are a "qualified public safety employee" if you are an employee of a State or political subdivision of a State (such as a county or city) whose principal duties include services requiring specialized training in the area of police protection, firefighting services, or emergency medical services for an area within the jurisdiction of the State or political subdivision.

SPECIAL TAX NOTICE REGARDING YOUR ROLLOVER OPTIONS

For Distributions Made After June 1, 2025:

For Distributions made prior to June 1, 2025, refer to earlier notice which can be obtained from the Retirement System.

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 Retirement System 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 expectancies of you and your beneficiary) (This means that your lifetime monthly benefits are not eligible for rollover.)
- 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 but before January 1, 1951), after age 73 (if you were born on or after January 1, 1951 but before January 1, 1960), or after age 75 (if you were born on or after January 1, 1960), or after death;
- Corrective distributions of contributions that exceed tax law limitations;
- Distributions of certain premiums for health and accident insurance.

The Retirement System 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 Retirement System (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 Retirement System:

- 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 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 or have 25 or more years in the Plan 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") to an alternate payee who is a former spouse of the member;
- 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 of up to \$22,000 made to you if the payment is a qualified disaster recovery distribution; and
- Payments made to you if you are terminally ill.

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 59½, 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 or have 25 or more years of service in the Plan for qualified public safety employees) does not apply;
- The exception for 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); and
- 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 address any State or local income tax rules (including withholding rules). For individual advice or any questions regarding state and local tax rules, you are encouraged to consult your personal tax professional.

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 on the following page.

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 Retirement System 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 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 as premiums to an accident or health plan (or a qualified long-term care insurance contract) 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. In general, the 10% additional income tax on early distributions will not apply. However, if you take the amount rolled over out of the Roth IRA within the 5-year period that begins on January 1 of the year of the rollover, the 10% additional income tax will apply (unless an exception applies).

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)*.

You cannot roll over a distribution to a designated Roth account in another employer's plan.

IF YOU ARE NOT A RETIREMENT SYSTEM MEMBER

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 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.

For purposes of this notice, a spouse is defined as an individual recognized under a marriage validly entered into in any state of foreign jurisdiction.

IF YOU ARE A SURVIVING SPOUSE

If you receive a payment from the Retirement System 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 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), age 72 (if you were born after June 30, 1949 but before January 1, 1951), age 73 (if you were born on or after January 1, 1951 but before January 1, 1960), or age 75 (if you were born on or after January 1, 1960).

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 from the Retirement System, you will not have to start receiving required minimum distributions from the inherited IRA until the year the member would have been age 70½ (if the member was born before July 1, 1949), age 72 (if the member was born after June 30, 1949 but before January 1, 1951), age 73 (if the member was born on or after January 1, 1951 but before January 1, 1960), or age 75 (if the member was born on or after January 1, 1960).

IF YOU ARE A SURVIVING BENEFICIARY OTHER THAN A SPOUSE

If you receive a payment from the Retirement System 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% 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 the Retirement System under a QDRO, you generally have the same options and the same tax treatment that 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). However, payments under the QDRO 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 do a direct rollover to a U.S. IRA or U.S. employer plan, instead of withholding 20%, the Retirement System 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 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, the Retirement System 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 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.

NOTICE PERIOD

Generally, payment cannot be made from the Retirement System 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 the Retirement System administrator.

FOR MORE INFORMATION

You may wish to consult with the Retirement System administrator or payor, or a professional tax advisor, before taking a payment from the Retirement System. 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.



THE COMMONWEALTH OF MASSACHUSETTS

State Retirement Board

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Please notify the State Retirement Board of any change of address.