



USAA Federal Savings Bank  
10750 McDermott Freeway  
San Antonio, Texas 78288-0544

# AUTHORIZATION FOR DISTRIBUTION FORM

STEP 1: Complete the following information.

STEP 2: Sign on last page where indicated and send completed document to USAA Federal Savings Bank.

## Account Holder Information

Please print the following information:

USAA Number \_\_\_\_\_ Name of Participant \_\_\_\_\_  
Responsible Individual if Coverdell Education Savings Account (ESA)

Beneficiary Name if Coverdell ESA \_\_\_\_\_

## Distribution Information

Type of account:

Traditional       Roth       Coverdell ESA      Account Number: \_\_\_\_\_

## Reasons for Distribution

Select only one. Please refer to IRS Publication 590-B (for IRAs) or IRS Publication 970 (for Coverdell ESAs) for further explanation regarding distribution reasons.

**Normal (Traditional or Roth IRA or Coverdell ESA):**

-For Traditional or Roth IRA: I am 59 1/2 or older.

-For Coverdell ESA: I am directing a distribution to be made to pay for the qualified higher education expenses of the designated beneficiary or for some other purpose with the understanding that a portion of the distribution may be taxable if the beneficiary does not have qualified education expenses that equal or exceed the amount of Coverdell ESA distributions for the beneficiary in the current year. The taxable portion of the distribution may be subject to 10% additional tax. The 10% additional tax does not apply to distributions made on account of the death or disability of the designated beneficiary or attendance at specified military academies (to the extent of advanced education attributable to attendance at such academies) or to the extent attributable to the coordination of certain education tax credits.

**Premature Distribution (Traditional or Roth IRA Only):**

I am under 59 1/2 and am not taking a distribution due to disability or part of a series of substantially equal payments or following the death of the IRA owner. I understand that if the amount distributed is not rolled over into another eligible retirement plan (such as an IRA) within 60 days, the amount of the distribution may be included in my gross income subject to taxes and may be subject to an additional 10% premature distribution penalty.

May not be subject to a premature distribution penalty if distribution is converted to a Roth IRA, a Qualified Reservist Distribution or is for:

- Qualified Higher-Education Expenses
- First Time Homebuyer Expenses
- Certain Medical Expenses
- Certain Health Insurance Premiums for the Unemployed
- Qualified birth or adoption expenses

Consult your tax advisor regarding whether you should file IRS Form 5329 to claim exemption from the premature distribution tax when you file your federal income tax return.

 Online: [usaa.com](http://usaa.com)

 Phone: 210-531-USAA (8722) • 800-531-8722

 Mobile: #8722

08306-1120

**Substantially Equal Periodic Payments (SEPP) (Traditional or Roth IRA only):**

I am under age 59 1/2 and wish to take a series of substantially equal periodic payments over my life expectancy or over the joint life expectancy of my designated beneficiary and I, in accordance with the provisions of the Internal Revenue code section 72(t). These payments must continue until the later 5 years (except in the case of death or disability) or until I attain 59 1/2.

**Divorce (Traditional or Roth IRA only):**

I am directing a distribution to be made to my former spouse in accordance with a divorce decree or property settlement agreement entered into as part of the settlement of a divorce action. If my former spouse wishes to maintain an IRA account with USAA or with another financial institution and does not already have such an account, I understand that an IRA Application must be completed by them and submitted with this request. A certified copy of your divorce decree or property settlement prior to disbursement must be accompanied with your request.

**Disability (Traditional or Roth IRA or Coverdell ESA):**

- For Traditional or Roth IRA: I am unable to engage in any substantial gainful activity because of medically determinable physical or mental impairment, and my physician has determined that my condition can be expected to result in death or to be of long, continued, and indefinite duration.
- For Coverdell ESA: The designated beneficiary is unable to engage in any substantial gainful activity because of medically determinable physical or mental impairment, and his or her physician has determined that his or her condition can be expected to result in death or to be of long, continued, and indefinite duration.

**Death (Traditional or Roth IRA or Coverdell ESA):**

- For Traditional or Roth IRA: An executor, administrator or beneficiary following the death of the IRA account owner is completing this form. A copy of the participant's death certificate should accompany the form unless already on file with USAA. If an executor or administrator is completing the form, it should be accompanied by letters of testamentary or letters of administration unless already on file with USAA.
- For Coverdell ESA: The designated beneficiary has died. A copy of their death certificate should accompany this form unless already on file with USAA.

**Distribution for Rollover to Qualified Plan (Traditional IRA only):**

I wish to direct all or part of my Traditional IRA to my employer sponsored plan, for my benefit as a participant. I understand that USAA will send the distribution in the form of a check to my address of record payable to my employer and that I will be responsible for sending the check to my employer sponsored plan within 60 days of receipt.

Indicate Name of Employer Plan and Account Number: \_\_\_\_\_

**Conversion to a USAA Roth IRA (Traditional IRA only):**

I wish to convert all or part of my Traditional IRA to a Roth IRA. (If you do not already have a Roth IRA with USAA Federal Savings Bank (FSB), this form should be accompanied by a new Roth IRA Application.) Conversions are generally, taxable events and will be reported to the IRS by USAA on IRS Forms 1099-R and 5498.

**Recharacterization (Traditional or Roth IRA only):**

I wish to recharacterize the IRA contributions described below by transferring the amounts indicated to another type of IRA, also described below pursuant to IRS Regulation 1.408A-5. Accordingly, I hereby direct you, as agent of USAA FSB, the custodian of my IRAs, to transfer, in a trustee-to-trustee transfer, the amounts indicated below to the accounts which I designated. In that regard, I hereby certify that this direction is being given before the due date (including extensions) for filing my federal income tax return for the taxable year for which the contributions were made. I understand that I should report the transactions generated by this request on IRS Form 8606, to be filed with my federal income tax return, and that these transactions will be reported to the IRS by USAA on IRS Forms 1099-R and 5498.

**Withdrawal of Excess Contributions**

Please indicate tax year: \_\_\_\_\_

Select one of the options below:

I am requesting that my excess contribution AND the earnings be withdrawn on or before the applicable deadline.

- In the case of a Traditional or Roth IRA, the deadline is the due date of your federal income tax return for the year the contribution was made, including extensions.
- In the case of a Coverdell ESA, the deadline is June 1 of the year following the year for which the contribution was made.

The excess earnings are included as income for the year in which the excess contribution occurred. The excess earnings may be subject to a 10% premature distribution penalty if I am under the age of 59 1/2 and no exception applies.

**NOTE:** If you do not receive a distribution of the excess contribution and the earnings on such excess contribution by the applicable deadline, the excess contribution will be subject to a 6% penalty tax for the year of the contribution and each later year until corrected (either by distribution or by treating it as a contribution for a later year). If you took a deduction for your contribution to a Traditional IRA, you may need to amend your federal income tax return for the year of contribution.

**OR**

I am requesting a distribution of my excess contribution after the applicable deadline. In the case of an excess contribution to a Traditional IRA, the amount distributed is taxable and subject to the 10% additional tax (unless an exception applies) except to the extent that the excess contribution was less than the maximum contribution that could have been made to your IRA (without regard to the deduction limitations).

## Type of Distribution

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Select only one appropriate distribution type:

1.  Partial Withdrawal in the amount of \$ \_\_\_\_\_

- At Maturity (IRA Certificate of Deposit only)
- Immediately (IRA Certificate of Deposit or IRA Money Market or Coverdell ESA Money Market)

**NOTE:** If your IRA or Coverdell ESA is in a CD and the distribution is taking place at maturity or in the grace period, select one of the options below. If no option is selected, your IRA or CD will renew at the current term and corresponding rate available when distribution is processed. IRA CDs with a distribution at maturity or in the grace period renew on the day the distribution takes place.

I request to renew my IRA CD at the current term and corresponding rate available when my distribution is processed.

OR

I request to renew my IRA CD at the term noted below and corresponding rate available when my distribution is processed.

Select Account Option and Term:

\*Fixed Rate CD's

- 12 months
- 18 months
- 24 months
- 30 months
- 36 months
- 48 months
- 60 months
- 84 months

\*Variable Rate CD's

- 182 days
- 12 months
- 18 months
- 30 months
- 60 months

\*Adjustable Rate CD's

- 36 months
- 48 months
- 60 months
- 84 months

**Note:** Upon FSB's receipt. I understand if a withdrawal is from an IRA Certificate of Deposit prior to maturity, substantial interest earnings penalties may be imposed because of early withdrawal. Additionally, requests received more than 30 days before maturity of an IRA Certificate of Deposit will not be processed.

2.  Total Distribution

- Immediately (IRA Certificate of Deposit only)
- At Maturity (IRA Certificate of Deposit only)

**Note:** Upon FSB's receipt. I understand if a withdrawal is from an IRA Certificate of Deposit prior to maturity, substantial interest earnings penalties may be imposed because of early withdrawal. Additionally, requests received more than 30 days before maturity of an IRA or Coverdell ESA Certificate of Deposit will not be processed.

3.  Monthly Interest Distribution (**Traditional or Roth IRA only**)

**Note:** You must be OVER the age of 59 1/2.

4.  Regularly Scheduled Distribution (SEPP Distribution Only) in the amount of \$\_\_\_\_\_.

**Note:** You must be under the age of 59 1/2.

Begin date  1<sup>st</sup> or  15<sup>th</sup> of \_\_\_\_\_. Frequency  Monthly or  Annually

## Method of Distribution

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Choose one. If a selection is not made or the account requested is not on your profile, a check will be mailed to your address of record.

- Mail check to address of record. (Not available for Monthly Interest Distributions.)
- Deposit to my existing verified checking or savings account number: \_\_\_\_\_

## Income Tax Withholding

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**NOTE:** Distributions from Roth IRAs and Coverdell ESAs are income generally not subject to federal income tax withholding. If withholding is selected on a Roth IRA or Coverdell ESA, USAA reserves the right to process the distribution without withholding taxes based on the information you provide.

### Federal:

The distributions you receive from your Traditional IRA are subject to federal income tax withholding unless you elect not to have withholding apply. If you elect not to have withholding apply to your distributions; or if you do not have enough income tax withheld from your distribution, you may be responsible for payment of estimated tax.

### State:

If federal income tax withholding is elected, some states require that we withhold state income tax. Based upon the state you reside in; a state specific form may be required to elect or not elect to withhold state taxes. If a form is required, a completed form must be received before your request can be processed.

**Note:** If no tax is withheld you are still subject to federal and state tax on this income. You may be subject to penalties under rules for estimated tax if your payments of estimated tax and federal or state withholding tax, if any, are not sufficient. Your withholding election will remain in effect until revoked by you in writing.

### Federal:

- I elect **NOT** to have federal income tax withheld from my IRA distribution.
- I **DO** elect to have federal income tax withheld at the rate of \_\_\_\_\_ % or in the amount of \$\_\_\_\_\_. (Cannot be less than 10% of the total distribution.)

**If no election is made, the standard amount of 10% will be withheld for Traditional IRAs.** (Up to 30% may be withheld if you are a U.S. person residing outside of the United States or a non-U.S. person.)

### State:

- I elect **NOT** to have state income tax withheld from my IRA distribution.
- I **DO** elect to have state income tax withheld at the rate of \_\_\_\_\_ % or in the amount of \$\_\_\_\_\_.

X

\_\_\_\_\_  
Signature of Account Holder

\_\_\_\_\_  
Date (MM/DD/YY)

If signing as Power of Attorney, please sign in the following format:

Example: John Smith by Jane Smith, POA

**NOTE:** Power of Attorney Form must be on file with USAA prior to submitting this request