



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.

1. Account Holder Information

Please print the following information:

USAA Member Number

Name of Participant

Responsible Individual if Coverdell Education Savings Account (ESA)

Beneficiary Name if Coverdell ESA

2. Distribution Information

Type of account:

☐ Traditional

☐ Roth

☐ Coverdell ESA

Account Number: _____

3. 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



Phone: 210-531-USAA (8722) 800-531-8722 (TTY: 711/TRS)



Mobile: #8722

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☐ **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 Bank¹ 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 Bank. 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 Bank.
- For Coverdell ESA: The designated beneficiary has died. A copy of their death certificate should accompany this form unless already on file with USAA Bank.

☐ **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 Bank 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 Bank, 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 Bank 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 Bank, 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.



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☐ **Withdrawal of Excess Contributions**

Please indicate tax year: _____

Select one of the following options:

☐ 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).

4. Type of Distribution

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 USAA Bank'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 USAA Bank'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 ☐ 1st or ☐ 15th of _____. Frequency ☐ Monthly or ☐ Annually

5. Method of Distribution

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: _____

6. Income Tax Withholding

Notes:

- 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 Bank reserves the right to process the distribution without withholding taxes based on the information you provide.
- 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:

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.

Important: For your federal income Tax withholding rate election, complete and return the **Form W-4R** to USAA Bank. If **W-4R** is not returned to USAA Bank, federal income taxes will be withheld from your distribution at the default 10% rate. (Up to 30% may be withheld if you are a Non-U.S. person residing outside of the United States.)

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.

State Tax Withholding Elections (select one):

☐ I elect **NOT** to have state income tax withheld from my IRA distribution.

☐ I **DO** elect to have state income tax withheld. (Select one)

☐ In accordance with the minimum amount of percentage as determine by the requirements of your state of residence. If your state does not provide a minimum percentage, no state income tax withholding will be withheld.

☐ At the rate of _____% or in the amount of \$_____. (Must be higher than the state minimum and must be a whole number.)

☐ State of Principal Residence _____ (If left blank, we will use your address of record for applying state tax withholding requirements.)

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 Bank prior to submitting this request.

¹ USAA Bank means USAA Federal Savings Bank.



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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 2025, 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; 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 \$65,000 without the payment. Step 1: Because your total income without the payment, \$65,000, is greater than \$63,475 but less than \$118,350, the corresponding rate is 22%. Step 2: Because your total income with the payment, \$85,000, is greater than \$63,475 but less than \$118,350, 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 \$61,000 without the payment. Step 1: Because your total income without the payment, \$61,000, is greater than \$26,925 but less than \$63,475, the corresponding rate is 12%. Step 2: Because your total income with the payment, \$81,000, is

greater than \$63,475 but less than \$118,350, the corresponding rate is 22%. The two rates differ. \$2,475 of the \$20,000 payment is in the lower bracket (\$63,475 less your total income of \$61,000 without the payment), and \$17,525 is in the higher bracket (\$20,000 less the \$2,475 that is in the lower bracket). Multiply \$2,475 by 12% to get \$297. Multiply \$17,525 by 22% to get \$3,856. The sum of these two amounts is \$4,153. This is the estimated tax on your payment. This amount corresponds to 21% of the \$20,000 payment (\$4,153 divided by \$20,000). Enter "21" 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.