Trust Company of America
Withholding Information
Federal and State Policies

The following information outlines our current federal and state withholding policies.

Federal Withholding Policy

For distributions from 401(k), Solo 401(k), 403(b), 457, Money Purchase Pension (MPP), Profit Sharing (PS), or Qualified Plan (QP) accounts to plan participants, the US Government requires a 20% federal withholding. Trust will process 20% federal withholding for these types of distributions even if the 'I elect not to have federal income tax withheld' box is checked or no federal withholding box is checked on the distribution request form.

For Custody Only Qualified Plans (OQPs), Trust does not process federal withholding under any circumstances since tax reporting is handled by another entity.

For all other type of distributions, if no federal withholding box is checked on a distribution request form, Trust will process 10% federal withholding. Otherwise, the instructions provided on the distribution request form will be processed.

State Withholding Policy

Some states have mandatory withholding.

- If a state requires state withholding and does not allow you to opt out, Trust will process state withholding <u>even if</u> the 'I elect not to have state income tax withheld' box is checked or no state withholding box is checked on the distribution request form.

- If a state requires state withholding and does allow you to opt out, Trust will process state withholding <u>unless</u> the 'I elect not to have state income tax withheld' box is checked on the distribution request form.

Roth IRA distributions may be exempt from state tax, therefore Trust will only process state withholding from a Roth IRA if the 'Withhold state income tax…' box is checked on the distribution request form and a percentage or dollar amount is given.

For Custody Only Qualified Plans (OQPs), Trust does not process state withholding under any circumstances since tax reporting is handled by another entity.

Trust will not process state withholding if no state withholding box is checked on the distribution request form for a voluntary withholding state or if state withholding is requested for a state where there is no state tax, withholding is not available for distributions, or withholding is not available through Trust.

Note: The state of residence determines the state withholding requirements and is determined by the account's legal address of record. All state withholding will be rounded to the nearest whole dollar. For example, a $100 distribution with a 6.5% state withholding would be $7.00 instead of $6.50.

State Withholding Requirements

State		Withholding Requirements
Mandatory		
Maryland (MD)	7.75%	State withholding is mandatory for the following distributions: • IRA distributions to a foreign address • IRA distributions to a non-residence address if we do not have a residence address on file • Qualified Plan distributions paid directly to the account owner
North Carolina (NC)	4%	
Mandatory with Federal Exceptions		
Iowa (IA)	5%	State withholding is mandatory for the following distributions: • Any distribution where federal withholding is taken, no exceptions • IRA distributions to a foreign address • IRA distributions to a non-residence address if we do not have a residence address on file • Qualified Plan distributions paid directly to the account owner
Maine (ME)	5%	
Massachusetts (MA)	5.3%	
Nebraska (NE)	5%	
Mandatory unless Opted Out		
Delaware (DE)	5%	State withholding is mandatory for the following distributions: • Any distribution where federal withholding is taken and state withholding is not specifically opted out • IRA distributions to a foreign address • IRA distributions to a non-residence address if we do not have a residence address on file • Qualified Plan distributions paid directly to the account owner
Kansas (KS)	5%	
Oregon (OR)	8%	
Vermont (VT)	7.2%	
Virginia (VA)	4%	
Available		
Alabama (AL) Arkansas (AR) Arizona (AZ) California (CA) Colorado (CO) Georgia (GA) Idaho (ID) Illinois (IL) Indiana (IN) Kentucky (KY) Louisiana (LA) Michigan (MI) Minnesota (MN) Missouri (MO) Montana (MT) New Jersey (NJ) New Mexico (NM) New York (NY) Ohio (OH) Oklahoma (OK) Pennsylvania (PA) South Carolina (SC) Wisconsin (WI)		State withholding is voluntary for distributions.

Unavailable	
Connecticut (CT) North Dakota (ND) Rhode Island (RI) Utah (UT) West Virginia (WV)	States where withholding is not available through Trust.
No Withholding Option	
Alaska (AK) Florida (FL) Hawaii (HI) Mississippi (MS) New Hampshire (NH) Nevada (NV) South Dakota (SD) Tennessee (TN) Texas (TX) Washington (WA) Washington DC (DC) Wyoming (WY)	States where there is no state income tax or withholding is not available for distributions, therefore withholding is not available.

Updated Withholding Information. Check www.trustamerica.com/advisor-forms for the most current state withholding information.

How to Opt Out of State Withholding. For states that allow you to opt out of state withholding, check the 'I elect not to have state income tax withheld' box on the distribution form. *Note: Even if this box is checked, state withholding will be processed for states that require state withholding and do not allow you to opt out.*

Important: State withholding rules can change, and the rules cited above may not reflect the current ruling of your state. Consult with your tax advisor to obtain the most up-to-date information pertaining to your state.