

State Tax Withholding Information



This general information is provided to help you understand state income tax withholding requirements for Individual Retirement Account distributions. While Axos Clearing LLC makes every effort to obtain information about state tax laws from sources believed to be reliable, Axos Clearing LLC cannot guarantee the accuracy or timeliness of state tax withholding information because state tax laws are subject to constant change and interpretation. Moreover, Axos Clearing LLC does not provide tax or other advice. We therefore recommend that you contact your tax advisor regarding your tax withholding elections and answer any questions that you may have regarding your state's withholding laws.

State of Residency	State Income Tax Withholding
AK, FL, HI, NH, NV, SD, TN, TX, WA, WY	State income tax is not permitted.
AL, AZ, CO, GA, ID, IL, IN, KY, LA, MD, MS, MT, ND, NJ, NM, NY, OH, PA, RI, SC, UT, VA, WI, WV	State income tax withholding is voluntary. <ul style="list-style-type: none"> • We will withhold state income tax only if you instruct us to do so. • You must indicate the amount to withhold. • For NJ and MD amounts must be in whole dollars. • For PA, if you choose to withhold it must be at 3.07% • MS applies if age 59 ½ or older • LA – If you choose to withhold, the max 4.8% of the gross distribution
AR, KS, MN, MO, OR, VT	State income tax withholding is mandatory unless the individual elects to waive state income tax withholding (i.e., required unless waived) <i>If federal tax is required, we will withhold the following unless you indicated otherwise:</i> <ul style="list-style-type: none"> • AR – 3% of gross distribution • KS – 5% of gross distribution • MN – 6.25% of gross distribution, unless a W-4MNP form is provided • MO – 5.4% of gross distribution • OR – 8% of gross distribution • VT – 30% of the federal withholding election
CA, DE, IA, NC	State income tax withholding is mandatory if the individual did not waive federal withholding, unless the individual waives state income tax withholding (i.e., required with federal withholding unless waived): <ul style="list-style-type: none"> • CA – 10% of the federal withholding election • DE – 5% of gross distribution • IA - 5% of gross distribution - unless a IA-4P is provided • NC – 4% of gross distribution – unless a NC-4P is provided
ME, MA, NE, OK	State income tax withholding is mandatory if the individual did not waive federal withholding (i.e., required with federal withholding): <i>If federal tax is withheld, you cannot opt out of state withholding. We will withhold as indicated:</i> <ul style="list-style-type: none"> • ME – 5% of gross distribution • MA – 5% of gross distribution • NE – 5% of gross distribution • OK – 4.75% of gross distribution
CT, D.C., MS	Mandatory whether or not federal income tax is withheld. <ul style="list-style-type: none"> • CT – 6.99% of gross distribution -unless a CT-W4P is provided • D.C. – 10.75% of gross distribution if lump sum distribution • MS – 5% of gross distribution on early distributions taken (under 59 ½)
MI	Any taxable distribution for an IRA or Beneficiary Owner born after 12/31/1945, is subject to state withholding of 4.25% of the gross distribution. Unless the Owner provides a completed form MI W-4P.
Note 1:	The above applies to residents of each respective state. Special rules apply if you live in a foreign country, are not a U.S. Citizen, or are a non-resident alien.
Note 2:	The above is provided as a guideline only and is not advice regarding withholding. State law is subject to change and Axos Clearing LLC is not responsible for changes in state law that may affect the accuracy of the above. Please contact your tax advisor before making an election regarding state withholding.