



When complete please return to Davis Funds, P.O. Box 219197, Kansas City, MO 64121-9197.
 For overnight mail: Davis Funds, 430 W. 7th St, Suite 219197, Kansas City, MO 64105-1407.
 For assistance please call Investor Services at 1-800-279-0279.
 Funds are available to U.S. Citizens or resident aliens only.

IRA Beneficiary Claim Form Non-Individual Entity

TO ENSURE PROPER PROCESSING, PLEASE PRINT CLEARLY IN CAPITAL LETTERS USING BLACK INK

A. INSTRUCTIONS

- This form is to be used by the beneficiary of an IRA to claim assets after the death of the IRA owner. In order to process, your signature must be certified with a 2000/Medallion Guarantee Stamp.
- These instructions are not intended as tax or legal advice. Information regarding distribution options can be found in IRS Publication 590-B, which is available online at www.irs.gov.
- We recommend that you consult your professional tax advisor prior to choosing a distribution option.
- **NOTE: A completed IRA Application is also required in order to establish an Inherited IRA Account** unless requesting a Lump Sum distribution in Section H.

B. DECEASED IRA OWNER'S INFORMATION

Deceased IRA Owner's Name (First, MI, Last)

Account Number(s)

Social Security Number

Date of Birth

Date of Death

C. IDENTIFY BENEFICIARY RELATIONSHIP

- **Please provide your beneficiary relationship to the account owner at time of death and select only ONE beneficiary type.**
- If you need further guidance, please contact a tax advisor.
 - First Generation Non-Designated Beneficiary**—select this option if the beneficiary is a non-person, such as an estate, charitable organization, or non-qualified trust.
 - Qualified Trust** (please attach a copy of the trust agreement)
 Please seek assistance from a financial professional to determine if the trust is qualifying. It is the responsibility of the trustee to ensure that the following conditions are met for a trust to be considered a qualifying trust.
 1. The trust must be **valid trust under state law** or be a trust that would be valid except for the fact that it has no corpus.
 2. The trust must be **irrevocable** or, by its terms, become irrevocable upon the death of the participant.
 3. The **beneficiaries** of the trust **must be identifiable** from the trust instrument.

Davis Funds is not responsible for determining if a trust is qualified.



D. ENTITY BENEFICIARY

- 1. **Trust**—Must attach a copy of the title and signature pages of the Trust Agreement, or a copy of the Certification of Trust that provides the name of the trust and the names and signatures of the trustee(s).
- Estate**—Must attach Letters of Testamentary/Letters of Administration or other court issued document(s) that appoint the executor.
- Partnership**—Must attach a copy of the Partnership Agreement. (Complete Section F)
- (C) Corporation**—Must attach a copy of the Certified Articles of Incorporation or a government-issued license. (Complete Section F)
- (S) Corporation**—Must attach a copy of the Certified Articles of Incorporation or a government-issued license. (Complete Section F)
- Non-Incorporated Entity**—Must attach a copy of a government-issued business license. (Complete Section F)
- Limited Liability Company**—Enter the tax classification (C = C Corporation, S = S Corporation, P= Partnership) _____
Must attach a copy of the Articles of Incorporation. (Complete Section F)
- Other** (specify) _____

2. _____
Name of Trust/Estate/Corporation/Partnership/Limited Liability Company/Non-Incorporated Entity

Principal Place of Business Address Suite/Apartment

City State Zip Code Daytime Telephone Number

Taxpayer/Employer Identification Number

3. Organizations exempt from USA Patriot Act verifications please check the appropriate box:

- Financial institution regulated by a federal regulator
- Bank regulated by a state regulator
- Government Agency
- Publicly Traded Organization (Please provide ticker and exchange) _____

E. TRUSTEE/EXECUTOR/AUTHORIZED PARTY

Name of the Trustee or Executor or Authorized Signer (First, MI, Last)

Residential Street Address Suite/Apartment

City State Zip Code Daytime Telephone Number

SSN/TIN Relationship to Deceased IRA Owner U.S. Citizen Resident Alien

Name of the Co-Trustee or Co-Executor or Authorized Signer (First, MI, Last)

Residential Street Address Suite/Apartment

City State Zip Code Daytime Telephone Number

SSN/TIN Relationship to Deceased IRA Owner U.S. Citizen Resident Alien

F. LEGAL ENTITY BENEFICIAL OWNERSHIP CERTIFICATION (do not complete if Trust or Estate)—Cont'd

Control Person

The following information for one individual with significant responsibility for managing the legal entity listed above, such as: An executive officer or senior manager (e.g., Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Managing Member, General Partner, President, Vice President, Treasurer); or Any other individual who regularly performs similar functions. If appropriate, an individual listed under the Beneficial Owner(s) section above may also be listed in this section for Control Person.

Name/Title	Date of Birth (mm/dd/yyyy)		
Residential or Business Street Address	Suite/Apartment		
City	State	Zip Code	Social Security Number

Certification

I, _____ (name of natural person opening account), hereby certify, to the best of my knowledge that the information provided above is complete and correct.

Signature	Date
-----------	------

G. FINAL REQUIRED MINIMUM DISTRIBUTION INSTRUCTIONS

Deceased IRA Owner's Required Minimum Distribution (RMD) for year of death.

- Not applicable for Roth IRAs.
- These amounts must be paid to you. Check and complete if applicable.
- I have calculated the final RMD. Please distribute \$ _____. (Proceed to Section H)
- Please calculate and distribute any outstanding final RMD. (Proceed to Section H)
- No Distribution. The final RMD has already been distributed **OR** I waive removing any outstanding final RMD at this time.
Generally, any outstanding final RMD must be removed by December 31 of the year of the IRA owner's death. (Proceed to Section H)

H. DISTRIBUTION ELECTION

As a Beneficiary, the distribution options available to you depend on several factors such as your relationship to the deceased IRA holder and the year in which the IRA holder passed away. We recommend you consult with a professional tax advisor regarding any election you make below. Additional information may also be found in IRS Publication 590-B, found on the internet at www.irs.gov.

Please select only ONE option:

1. **Partial Distribution**—Please complete Sections A, B, and C.
 - One Time** (Complete selections below and proceed to Section J)
 - Systematic** (Complete selections below and proceed to Section I)
 - Net**—Distribute the following dollar amount \$ _____ or _____% from the account.
I authorize and direct Davis Fund to redeem additional fund shares in the amounts necessary to pay any charges and federal and/or state tax withholding.
 - Gross**—Distribute the following dollar amount \$ _____ or _____% from the account.
I understand the amount of the distribution I receive will be reduced by any federal and/or state tax withholding.
 - Distribute from All Funds**—The above amount or percentage will be distributed from each Fund in the account.
 - Distribute from Specific Funds**—Please indicate the Fund(s) and redemption amount(s) below.

Fund Number	Fund Name	Percentage	%	or	\$ Amount
Fund Number	Fund Name	Percentage	%	or	\$ Amount
Fund Number	Fund Name	Percentage	%	or	\$ Amount

H. DISTRIBUTION ELECTION—Cont'd

2. **5-Year Rule**—Only available to:

- Estate, entity, and non-qualified trust beneficiaries of Roth IRAs or
- Estate, entity, and non-qualified trust beneficiaries of Traditional IRAs, provided the IRA owner passed away before the required beginning date.

Please select one of the sub-options below:

- Fixed Dollar or Percentage Withdrawal Plan**—Please complete **Option 1—Partial Distribution** and proceed to Section I.
- 5-Year Declining Balance**

IMPORTANT:

By selecting this option, you are enrolling in a systematic withdrawal plan with the understanding that the account will be systematically depleted over a period of 5 years. You are not required to begin payments until the year following the year of the IRA owner's death. Failure to deplete the account by December 31 of the fifth year following the IRA owner's death may result in a 50% penalty on the amount that is not withdrawn.

Please proceed to Section I to specify the details of your systematic withdrawal plan.

If Section I is not completed, your distributions will run annually, on the 25th of the month, in the calendar year the form is received.

3. **Single Life Expectancy Payments**—CHOOSE ONE of the sub-options below:

- Check this box if the original account type was a Traditional IRA or 403(b), the original owner passed away on or after the required beginning date, and the beneficiary is an Estate, Entity, or Non-Qualified Trust.**

IMPORTANT:

By selecting this option, you are enrolling in a systematic withdrawal plan with the understanding that required minimum distributions will be made from the account. These are life expectancy distributions, non-recalculated, based on the remaining life expectancy of the deceased IRA owner. You are not required to begin payments until the year following the year of the IRA owner's death.

Please proceed to Section I to specify the details of your systematic withdrawal plan.

If Section I is not completed, your distributions will run annually, on the 25th of the month, in the calendar year the form is received.

- Check this box if the beneficiary is a Qualified Trust**

Life expectancy payments will be based on the trust beneficiary's information below:

Name (First, MI, Last)

Date of Birth

Relationship

IMPORTANT:

By selecting this option, you are attesting you have consulted with a tax and/or legal professional to confirm that the trust is a qualified "look-through" trust and is eligible for life expectancy payments based on the trust beneficiary's information above. For deaths on or after January 1, 2020, the beneficiary must be an eligible designated beneficiary. This election will automatically enroll the account in a systematic withdrawal plan and distributions will be calculated based on the trust beneficiary's date of birth. **Please proceed to Section I** to specify the details of your systematic withdrawal plan. If Section I is not completed, your distributions will run annually, on the 25th of the month, in the calendar year the form is received.

4. **10-Year Rule**—only available if:

- The IRA owner passed away on or after January 1, 2020 and
- The beneficiary is a Qualified Trust

Please select one of the sub-options below.

A: For Traditional IRAs, if the owner passed away before his or her required beginning date, or Roth IRAs (no age requirement)

- Fixed Dollar or Percentage Withdrawal Plan**—Please complete **Option 1—Partial Distribution** and proceed to Section I.
- 10-Year Declining Balance**

IMPORTANT:

By selecting this option, you are attesting you have consulted with a tax and/or legal professional to confirm that the trust is a qualified "look-through" trust and is eligible for this distribution election. This election will automatically enroll the account in a 10-year fixed-time withdrawal plan. Payments are not required to begin until the year following the year of the IRA owner's death. Failure to deplete the account by December 31 of the year containing the 10th anniversary of the IRA owner's death may result in a 50% penalty on the amount that is not withdrawn. **Please proceed to Section I** to specify the details of your systematic withdrawal plan. If Section I is not completed, your distributions will run annually, on the 25th of the month, in the year the form is received.

B: For Traditional IRAs, if the owner passed away on or after his or her required beginning date

- Single Life Expectancy Payments**—this option is not available to eligible designated beneficiaries - These payments must be made during the first 9 years, beginning in the year following the original IRA owner's death. By the end of year 10, the entire account must be fully distributed.

Life expectancy payments will be based on the trust beneficiary's information below:

Name (First, MI, Last)

Date of Birth

Relationship

IMPORTANT:

By selecting this option, you are attesting you have consulted with a tax and/or legal professional to confirm that the trust is a qualified "look-through" trust and is eligible for life expectancy payments based on the trust beneficiary's information above. This election will automatically enroll the account in a systematic withdrawal plan and distributions will be calculated based on the trust beneficiary's date of birth. Failure to deplete the account by December 31 of the year containing the 10th anniversary of the IRA owner's death may result in a 50% penalty on the amount that is not withdrawn. **Please proceed to Section I** to specify the details of your systematic withdrawal plan. If Section I is not completed, your distributions will run annually, on the 25th of the month, in the calendar year the form is received.

***Please see information on page 9 regarding the proposed RMD regulations and the 10-Year Rule.**

H. DISTRIBUTION ELECTION—Cont'd

5. **Lump Sum**—Full liquidation. (Proceed to Section J)
6. **I opt not to take a distribution at this time**—(Proceed to Section M)
- I understand that it is my responsibility to take any distributions required in accordance with the distribution schedules available for my beneficiary type and that failure to do so may result in penalties assessed by the IRS. *Please contact Investor Services for assistance.*

I. SYSTEMATIC DISTRIBUTIONS

- For 10-Year Rule Single Life Expectancy Payments:
 - Payments must be made for 9 years, beginning in the year following the IRA owner's death.
 - The account must be distributed by December 31 of the year containing the 10th anniversary of the IRA owner's death.
- For 5 or 10-Year Rule Declining Balance Payments:
 - Payments may begin in the calendar year following the year of the IRA owner's death and will be withdrawn in accordance with your selections below.
- For 10-Year Rule Fixed Dollar or Percentage Payments:
 - It is your responsibility to ensure the account is depleted by December 31 of the year containing the 10th anniversary of the IRA owner's death.
- If the frequency and withdrawal date are not indicated below, we will default to annually on the 25th of the month, in the year the form is received.** If the withdrawal date falls on a non-business day, the transaction will be made on the following business day. Dollar amount of systematic distributions will vary by selected distribution options and daily fair market value of account.

IMPORTANT:

All beneficiaries should consult with a competent tax or financial professional to confirm the distribution options that are available to them. Failure to satisfy any required minimum distributions or, if electing the 10-Year Rule, failure to distribute the account within the 10-year period, may result in a 50% excess tax on the amount that should have been withdrawn.

1. I elect to start the ongoing deductions on: Month _____ Day _____ Year _____.
2. Frequency (select one): Distribute every month or Distribute only in the month(s) chosen below:
- Jan Feb Mar Apr May Jun Jul Aug Sept Oct Nov Dec
3. Indicate the day of the month you wish to schedule your payments: _____.

J. DELIVERY INSTRUCTIONS

Choose One:

- By Check: Standard mail to the address of record.
- ACH transfer to bank account. Please indicate your bank account.
- Wire transfer to bank account. **There is a \$5 fee for this service. Wire transfer is not an available option on systematic distributions.** Please indicate your bank account.

Please complete this section if you wish to transfer funds electronically to and from your bank.

Bank Account Registration

Name of Banking Institution

Telephone Number of Banking Institution

ACH Routing Number

Bank Account Number

WIRE Routing Number (If different than ACH Routing Number)

Please Indicate: Checking Savings

K. W-4R TAX WITHHOLDING ELECTION (Form W-4R/OMB No. 1545-0074 Dept. of Treasury, Internal Revenue Service)

Federal Tax Withholding¹:

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 the line below. Generally, you can't choose less than 10% for payments to be delivered outside the United States and its possessions. See pages 10 and 11 for more information.
- If you would like a rate of withholding that is different from the default withholding rate, please enter a rate on the line below. See the Marginal Rate Tables and *Specific Instructions* on pages 10 and 11 for additional information.

Enter the rate as a whole number (no decimals).

_____ %

State Tax Withholding:

If federal income tax withholding is applied to your distribution, your state may also require state income taxes to be withheld. State laws regarding tax withholding are subject to change at any time without notice.

If your state requires withholding, Davis Funds will withhold at least the required minimum state tax, regardless of your election.

Davis Funds offers state tax withholding for the following states:

AR, CA, CT², DE, DC, IA, KS, ME, MD, MA, MI², MN³, MS, NE, NC², OK, OR, VT and VA.

Choose one:

- Do NOT withhold state taxes unless required by law.
- Withhold state taxes at the applicable rate OR at a rate of:

Percentage

_____ %

1. For systematic distributions, the withholding elections indicated above will remain effective until you change them. You may change or revoke your elections at any time by calling Investor Services.
2. For Connecticut and Michigan residents: State withholding is mandatory unless a completed CT-W4P or MI-W-4P is submitted. For North Carolina residents, state withholding is required when federal withholding applies, unless a completed NC-4P is provided.
3. For Minnesota residents, state withholding is mandatory, and calculated using the wage tables, unless a W-4MNP is submitted.

This tax information is for informational purposes only and should not be considered legal or tax advice. We do not provide tax or legal advice and will not be liable for any decision you make based on this or other generated tax information we provide. Always consult a tax or legal professional before making financial decisions.

L. ADDITIONAL INSTRUCTIONS

M. SIGNATURE

The undersigned individual authorizes the withdrawal specified within and the withholding election completed in Section K. It is the undersigned's responsibility to determine correctly the amount of tax that may be due based on all IRA accounts the undersigned may own (including those unknown by or not under the control of the Custodian). The undersigned agrees to indemnify and hold harmless the Custodian and its agents and service providers, including Davis Fund from any losses or expenses incurred if such information is not correct. The undersigned acknowledges that it is his/her responsibility to properly calculate, report, and pay all taxes due with respect to the withdrawal specified above.

Substitute Form W-9

I certify under penalty of perjury that:

1. The number shown on this application is my correct Taxpayer Identification number, **and**
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, **and**
3. I am a U.S. person or a U.S. Resident Alien.

You must cross out item number 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return.

The Internal Revenue Service does not require your consent to any provision of this document other than the certifications above to avoid backup withholding.

Signature

Capacity (e.g. Beneficiary, Executor)

Date

Place 2000/Medallion Guarantee Stamp Here

N. ADDITIONAL INFORMATION

Beneficiary Types:

Eligible Designated Beneficiary: An individual that has been designated as a beneficiary and, on the date of the IRA holder's death, is:

1. The surviving spouse of the IRA holder.
2. A minor child of the IRA holder.
 - Special distribution rules apply. Please see "Distribution Options and Definitions" below for information.
3. A disabled or chronically ill individual.
4. Any other individual who is not more than 10 years or younger than the IRA holder.

Qualified Trust

Please seek assistance from a financial professional to determine if the trust is qualifying. It is the responsibility of the trustee to ensure that the following conditions are met for a trust to be considered a qualifying trust.

1. The trust must be **valid trust under state law** or be a trust that would be valid except for the fact that it has no corpus.
2. The trust must be **irrevocable** or, by its terms, become irrevocable upon the death of the participant.
3. The **beneficiaries** of the trust **must be identifiable** from the trust instrument.

Designated Beneficiary: A named primary beneficiary who is still alive as of the IRA holder's death, is an individual, and does not fall into one of the Eligible Designated Beneficiary categories listed above. They must therefore completely distribute the inherited assets by the end of the 10th year following the death of the IRA holder.

Non-Designated Beneficiary: An IRA beneficiary that does not have a life expectancy. Non-person entities (e.g. estates, charitable organizations, non-qualified trusts) are considered non-designated beneficiaries.

Distribution Options and Definitions:

Single Life Expectancy Payments: These are annual distributions based on the single life expectancy of either the beneficiary or the deceased IRA owner. The amount may be recalculated or non-recalculated depending on the circumstances such as the beneficiary's relationship and the age of the deceased IRA owner. The amount is calculated using the Single Life Expectancy Table (see Publication 590-B, www.irs.gov), the December 31 prior year balance, and the appropriate distribution period from the table. The distributions must generally begin by December 31 of the year following the account owner's death. A spouse as sole beneficiary may delay taking these distributions until December 31 of the year the account owner would have reached the age of 70 ½ (if they passed away prior to 2020) or 72 (if they passed away after 2019).

- For deaths on or after January 1, 2020 and if the IRA owner passed away prior to reaching age 72:
 - Eligible designated minor beneficiaries may take life expectancy payments until they reach the age of majority (21). They are then subject to the 10-Year Rule and must deplete the account by December 31 of the year they turn 31.
- For deaths on or after January 1, 2020 and if the IRA owner passed away on or after reaching age 72:
 - Eligible designated minor beneficiaries may take life expectancy payments and must fully distribute the account by December 31 of the year they turn 31.

5-Year Rule: The assets must be fully distributed no later than December 31 of the fifth year following the account owner's death. Distributions may be taken at any time or systematically (fixed dollar, annual percentage, 5 year declining balance).

10-Year Rule: The assets must be fully distributed by December 31 of the year containing the 10th anniversary of the account owner's death. Distributions may be taken at any time or systematically (fixed dollar, annual percentage, 10 year declining balance).

*If the IRA owner passed away on or after the required beginning date, life expectancy payments must be made for the first 9 years, beginning in the year following the IRA owner's death. The account must be fully distributed by the end of the 10th year containing the anniversary of the IRA owner's death.

Required Beginning Date: April 1 of the year following attainment of age 70 ½ (if the IRA owner reached 70 ½ on or before December 31, 2019) OR April 1 of the year following attainment of age 72 (if the IRA owner reached 70 ½ on or after January 1, 2020).

Recalculated and Non-recalculated: Life expectancy distributions from an Inherited IRA are either recalculated or non-recalculated. Both calculations use the Single Life Expectancy Table (which can be found in Publication 590-B on www.irs.gov) and dividing the December 31 prior year balance by the appropriate distribution period (or divisor). The recalculated method is only available to spouse beneficiaries and involves referencing the Single Life Expectancy table each year to find the appropriate distribution period, while the non-recalculated method is available to non-spouse beneficiaries (and, in certain situations, may apply to spouse beneficiaries). The non-recalculated method involves referencing the Single Life Expectancy Table only one time (during the first distribution year) and subtracting one from the divisor each year until the account is depleted.

**Under the proposed regulations, non-eligible designated beneficiaries subject to the 10-year rule are required to take annual distributions for 9 years, beginning in the year after death, if the original IRA owner passed away on or after his or her required beginning date. As these regulations are not final, beneficiaries who are impacted may wish to consult with a competent tax advisor for guidance on whether annual distributions should be taken.*

General Instructions

Section references are to the Internal Revenue Code.

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 the *Specific Instructions* on the following page 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.

2022 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 *Specific Instructions* on the following page for more information on how to use this table.

Single or Married filing separately		Married filing jointly or Qualifying widow(er)		Head of household	
Total income over—	Tax rate for every dollar more	Total income over—	Tax rate for every dollar more	Total income over—	Tax rate for every dollar more
\$0	0%	\$0	0%	\$0	0%
12,950	10%	25,900	10%	19,400	10%
23,225	12%	46,450	12%	34,050	12%
54,725	22%	109,450	22%	75,300	22%
102,025	24%	204,050	24%	108,450	24%
183,000	32%	366,000	32%	189,450	32%
228,900	35%	457,800	35%	235,350	35%
552,850*	37%	673,750	37%	559,300	37%

*If married filing separately, use \$336,875 instead for this 37% rate.

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 in Section K. 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-” in Section K. See the *Specific Instructions* on the following page 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 possessions.

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 2022, your current withholding election (or your default rate) remains in effect unless you submit a Form W-4R.

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-” in Section K. See Pub. 3920, Tax Relief for Victims of Terrorist Attacks, for more details.

Specific Instructions

More withholding. If you want more than the default rate withheld from your payment, you may enter a higher rate in Section K.

Less withholding (nonperiodic payments only). If permitted, you may enter a lower rate in Section K (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 10 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 in Section K. (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 in Section K. (See *Example 2*.)

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 in Section K.

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 \$60,000 without the payment. Step 1: Because your total income without the payment, \$60,000, is greater than \$54,725 but less than \$102,025, the corresponding rate is 22%. Step 2: Because your total income with the payment, \$80,000, is greater than \$54,725 but less than \$102,025, the corresponding rate is 22%. Because these two rates are the same, enter "22" in Section K.

Example 2. You expect your total income to be \$42,500 without the payment. Step 1: Because your total income without the payment, \$42,500, is greater than \$23,225 but less than \$54,725, the corresponding rate is 12%. Step 2: Because your total income with the payment, \$62,500, is greater than \$54,725 but less than \$102,025, the corresponding rate is 22%. The two rates differ. \$12,225 of the \$20,000 payment is in the lower bracket (\$54,725 less your total income of \$42,500 without the payment), and \$7,775 is in the higher bracket (\$20,000 less the \$12,225 that is in the lower bracket). Multiply \$12,225 by 12% to get \$1,467. Multiply \$7,775 by 22% to get \$1,710.50. The sum of these two amounts is \$3,177.50. This is the estimated tax on your payment. This amount corresponds to 15.9% of the \$20,000 payment (\$3,177.50 divided by \$20,000). Rounding up to the next whole number, enter "16" in Section K.

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 possessions 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.