



## Easy Systematic Payment (ESP) Program Election Agreement For Customized Payment Options

**Fixed/Fixed-indexed annuities:** PO Box 5420, Cincinnati OH 45201 / 800-854-3649 / 800-482-8126 Fax  
**Registered index-linked annuities:** PO Box 5423, Cincinnati OH 45201 / 800-789-6771 / 800-807-9777 Fax  
**Overnight Address:** 191 Rosa Parks Street, Cincinnati, OH 45202  
**Website:** MassMutualAscend.com

To help ensure your request is processed timely and accurately, please print clearly and only in the spaces provided. Do not write outside of the boxes. If you need to provide additional information or special instructions, please attach a separate sheet of paper.

New Contract (request form must accompany application)

Contract Number

Active Contract

### Section I. Contract Owner Information

First Name

Middle Initial

Last Name

--	--	--

**OR Business/Organization/Trust Owner**

Social Security/Tax ID Number **No dashes**

Email

--	--

If you provided an email above or we have an email address on record, you will receive status updates. Email notifications will be sent from no-reply@mmascend.com. Please remove this address from your list of blocked senders.

**New Address/Phone (if applicable) Only complete if new information. We will update our records to reflect what is entered.**

Address

City

State

Zip

--	--	--

Home/Business Phone Number **No dashes**

Cell Phone Number **No dashes**

--	--

### Joint Contract Owner Information (if applicable)

First Name

Middle Initial

Last Name

--	--	--

**Affiliate:** Annuity Investors Life Insurance Company®

**Administrator for Life Insurance and Annuities:** Loyal American Life Insurance Company® Continental General Insurance Company®

## Section II. Easy Systematic Payment Program Option Election (select one)

---

The ESP Program is not available for all annuity products. Please consult your agent or our Home Office to confirm availability.

**Interest Income Option:** I would like 100% of the interest income earned based on the frequency selected in section III. Payments are before all contract charges and income tax withholding.

Note: Interest rates are subject to change at any time. Interest income will fluctuate due to interest rate changes and any changes in the surrender value. This option is not available for the Equilink or MultiLink Product Series or for any fixed-indexed or registered index-linked annuity product. Please consult your agent or our Home Office for other product availability.

**Fixed Dollar Option:** I would like the following amount paid to me each payment period (select one):

Gross withdrawal before all charges and taxes deducted \$

Net withdrawal after all charges and taxes deducted \$

**Note:** Net Fixed Dollar withdrawal option is not available for 403(b) TSA, 401 Pension/Profit Sharing/401(k), or 457 tax qualified contracts. In addition, for these contracts the total amount to be distributed in any contract year must not exceed 10% of the net Surrender Value of the contract on the date of the election.

**Free Withdrawal Allowance (FWA):** I would like 100% of the FWA based on the frequency selected in section III. Note: The FWA will fluctuate each contract year and will be reduced by any other contract withdrawals. This option is not available for the Equilink or MultiLink Product Series. Please consult your agent or our Home Office for other product availability.

**Important Note:** Early withdrawal Charges (including surrender charges and premature use charges) and Market Value Adjustments, if any, will apply to the extent that total payments distributed exceed the free withdrawal provision of your contract. Please refer to Section III of the "Easy Systematic Payment Program Terms and Conditions for Customized Payment Options" for further details.

## Section III. Payment Frequency (select one)

---

**Payment frequency:**      Monthly              Quarterly              Semi-annually              Annually

Date (MM/DD/YYYY)

**First payment date:**

Please allow at least 15 days from the date submitted for processing. If a first payment date is not specified, payment will be made at the **end** of the payment period selected. If a payment frequency is not selected, monthly payments will be made.

Initial net payments under the Interest Income Option must be a minimum of \$50 monthly. Initial net payments under the Fixed Dollar Option must be a minimum of \$50 monthly, \$150 quarterly, \$300 semi-annually, or \$600 annually. The Company may alter the payment mode if any net payments fail to meet these minimums.

---

## Section IV. Payment Information

## A). For payments to owner (select only one)

Payments by check to the Owner at the address of record

Direct deposit to a personal checking or savings account

You authorize the Company and the financial institution indicated below to adjust any over-deposit made to your account. **If we cannot verify your checking or savings account information (owner and account number), we will send a check to your address of record in place of direct deposit until you confirm the account information with a recent account statement or a letter from your bank or credit union.**

Account type:            Checking                      Savings

Financial Institution Name

Routing Number (9 digits required)

Account Number



List Names of ALL Owners on the Financial Institution Account

**Important Notes:**

- EFTs may only be made to a bank or savings & loan account. EFTs may not be made to an IRA or other tax-qualified account or to an insurance company.
- An EFT transaction normally takes 2-3 business days for the funds to be credited to your financial institution account.
- Distributions will be reported as income to the contract owner(s), regardless of whether or not the owner is a named owner of the financial institution account.
- For requests signed by a Power of Attorney: 1) EFTs can only be made to an account where the person who gave the POA is a named owner of the account; and 2) payment will be made to the Principal and not to the Attorney in Fact.
- For contracts owned by a Trust: EFTs can only be made to an account owned by the Trust unless additional documentation is provided showing that these distributions from the Trust are permitted.

**Continue to page 4 →**

**B). For payments to a brokerage account (select only one)**

If you have named a brokerage firm as your payee, **you must submit documentation** verifying the owner and account number of the brokerage account, such as an account statement or a letter from your brokerage firm. If not received, payment will be sent by check to owner.

Although funds are being directed to the Brokerage Account for your benefit, **the distribution is a taxable and reportable event** to the contract owner.

Payments by check to Brokerage Account

Brokerage Firm Name

Brokerage Account Number

Brokerage Firm's Mailing Address

City

State

Zip

Direct deposit to brokerage account

You authorize the Company and the brokerage account indicated below to adjust any over-deposit made to your account.

Brokerage Firm Name

Routing Number (9 digits required)

Account Number

---

## Section V. For 403(b) TSA Contracts Only

---

If you do not have a 403(b) TSA, this section does not apply. I certify that these payments requested from my 403(b) TSA contract are permitted as a result of (must check one):

**Age 59 1/2:** The owner is now age 59 1/2 or older.

Date (MM/DD/YYYY)

**Severance From Employment:** Date of separation:

Name of employer through which  
403(b) TSA contributions were made:

**Disability:** Unable to engage in customary or comparable substantial gainful activity by reason of medically determinable physical or mental impairment expected to result in death or be of long-continued and indefinite duration (attach documentation if no plan administrator).

**Rollover Account:** Payments are only to be made from separate account for rollover contributions.

**Employer Contributions:** Payments are only to be made from (must check one):

Separate account for employer contributions under a contract issued on or before 12/31/2008.

Separate account for employer contributions, and permitted based on occurrence of an event specified by plan document.

## Section VI. Income Tax Withholding

---

Federal tax withholding is not mandatory. The **default withholding amount is 10%** of the taxable amount. Whether or not taxes are withheld, you will be liable for payment of all applicable federal and state income taxes on the taxable portion of the distribution. You may also be subject to penalties under the estimated tax rules if your withholding and estimated tax payments, if any, are not adequate.

**If you do not elect out of withholding or do not attach the IRS W-4R form or make a state election**, then we will withhold the default or mandatory amount, notwithstanding any prior election you may have made for a prior withdrawal.

Any withholding election will remain in effect until revoked. You may revoke any withholding election for payments not yet distributed by notifying the Company in writing at any time.

**Federal Income Tax Withholding (select only one):**

Do not withhold federal tax, unless required

I am attaching IRS Form W-4R. **Withhold based on that election.**

I am not attaching IRS Form W-4R. **The default or mandatory amount, if any, will be withheld.**

**State Income Tax Withholding (select only one):**

Do not withhold state tax, unless required

I request state withholding of: \_\_\_\_\_ %

I am not specifying a state withholding percentage. **The default or mandatory amount, if any, will be withheld.**

---

## Section VII. Owner/Annuitant/Participant Acknowledgment and Authorization

### I understand the following conditions:

- No Exchanges, Rollovers, or Direct Transfers:** All checks under a Customized Payment Option are payable to the owner and cannot be made as a contract exchange, direct rollover, direct transfer or 1035 Exchange.
- Tax Implications:** I am personally responsible for any income tax implications of my election. If payments are made before I am age 59½, a premature distribution penalty tax may apply in addition to ordinary income taxes.
- Annuitization Minimums:** Under certain annuity contracts, the Annuity Value is available upon maturity only if payments are to be made for life or for a minimum number of years. Any payments made under the ESP Program will not apply toward meeting any such minimum requirement.
- Effect on Required Minimum Distribution (RMD):** The amount payable under a Customized Payment Option for a year in which I have a RMD due may not satisfy the required minimum distribution rules of federal tax law. I am responsible for converting to a Required Minimum Distribution option or a settlement option at that time.
- Effect on Living Benefit Rider or Death Benefit Rider:** Customized Payment Option withdrawals will adversely affect any benefit under a living benefit rider or a death benefit rider.
- Terms and Conditions:** Payments will be subject to the "Easy Systematic Payment Program Terms and Conditions for Customized Payment Options," which I have received and read, and which I should keep for future reference.

I have read and agreed to the Terms and Conditions of the Easy Systematic Payment Program for Customized Payment Options. I **authorize** the Company to process this ESP Program election, and will hold the Company harmless against any and all claims made by reason of its compliance with this request.

Pursuant to the transaction requested, the Company may use a third party service provider to verify your identity or confirm your ownership of the account to which you are requesting funds to be transferred.

Signature of Owner

Date (MM/DD/YYYY)



Signature of Joint Owner (if applicable)

Date (MM/DD/YYYY)



Signature of Power of Attorney(s)/Authorized Representative(s) signing on behalf of Owner

Date (MM/DD/YYYY)



#### For requests signed by a Power of Attorney (POA):

- We must receive a copy of the POA document.
- The POA Certification (form AAG2816) must also be completed or on file.

#### For contracts owned by a Trust:

- The acting Trustee(s) must sign. If there has been a change of Trustee(s) from the Trustee(s) on file, then you must submit a new Trust Certification (form X6017907NW).
- Payments can only be made to an account owned by the Trust unless additional documentation is provided showing that these distributions from the Trust are permitted.
- Payments will be made to the Trust (or transferred, exchanged or deposited for its benefit).

Log into **MassMutualAscend.com** if you need the POA or Trust Certification form.

## Section VIII. Plan Administrator Certification and Authorization (if applicable)

This section only needs to be completed for 403(b) TSA, 401 Pension/Profit Sharing/401(k), or 457 tax qualified contracts. The Plan Administrator should complete this section.

Name of Employer Plan

Name of Plan Administrator

Plan Administrator Phone

--	--	--

The Plan Administrator certifies that these payments are permitted under the employer's plan. The Plan Administrator authorizes the Company to process the request as indicated above.

Plan Administrator Signature

Date (MM/DD/YYYY)

--	--

**Section IX. Signature Notarization or Signature Guarantee (if applicable)**

---

Your signature on this request must be notarized or signature guaranteed below if you purchased your contract electronically with an electronic signature and you have not previously submitted a notarized or guaranteed signature, or as requested by the Company.

**Option 1: Notarized Signature**

State of

County of

Easy System Payment (ESP) Program Election  
Agreement for Customized Payment Options on

Date (MM/DD/YYYY)

Name of Person who is acknowledging his/her signature

by

Signature of Notary Public

My Commission expires (MM/DD/YYYY)

Seal

**Option 2: Signature Guarantee**

---

SIGNATURE GUARANTEED BY: Stamp or Seal of Eligible Guarantor Institution with Authorized Signature

You may have signature guarantee provided by a bank, savings and loan association, trust company, credit union, broker/dealer or any other "eligible guarantor institution" as defined under the rules adopted by the Securities and Exchange Commission. These institutions often participate in signature guarantee medallion programs such as the Securities Transfer Agent Medallion Program (STAMP).

---







## Easy Systematic Payment (ESP) Program Election Agreement For Customized Payment Options

---

### Section I. Instructions

To enroll in a Customized Payment Option under the ESP Program, complete the "Easy Systematic Payment Program Election Agreement" and forward to our office. The completed form along with any other necessary paperwork should be returned to the Company. Please keep this form for your records. Should you have any questions, please contact your agent or our Client Relations Department.

---

### Section II. Description of Customized Payment Options

#### 100% Interest Income Option

**Amount of Payments.** Payments on each payment date will be varying amounts determined as 100% of interest earned on the gross surrender value during the prior period.

#### Fixed Dollar Option

**Amount of Payments.** Payments at the end of each payment period will be a fixed dollar amount. For 403(b) TSA, 401 Pension/Profit Sharing/401(k), or 457 tax qualified contracts, the total amount to be distributed in any contract year must not exceed 10% of the net Surrender Value of the contract on the date of the election.

#### Free Withdrawal Allowance (FWA)

**Amount of Payments.** Payments on each payment date will be determined by dividing the current contract year's remaining FWA by the payment frequency selected. When there is no FWA available, payments will stop until the next contract year period.

---

### Section III. Additional Terms and Conditions

The following additional terms and conditions apply to Customized Payment Options for the Easy Systematic Payment Program (ESP Program):

#### Qualification for ESP Program

- Eligible Annuity Products.** The ESP Program is not available for all annuity products. **It is not available for the Equilink or MultiLink Series of fixed-indexed annuity products.** All other fixed-indexed and registered-index linked annuities offer the Fixed Dollar Option or FWA Option only. Please consult your agent or our Home Office to confirm availability.
- Age Restrictions.** For 403(b) TSA contracts, the Owner must be at least age 59½, separated from service, or disabled or the contract must hold only rollover funds or unrestricted employer contributions. No age restrictions on other tax qualified or non-qualified annuity contracts.
- Minimum Account Value.** Contract minimum account or surrender values apply for enrollment in the ESP Program.

#### Restrictions on ESP Program

- Restrictions on Entry.** You may not enter the ESP Program after payments are made under a settlement option. Unless we agree, you may enroll in only one ESP Program option (Customized, SEPP, or RMD), per annuity contract, at any one time. Your enrollment into the Automated RMD program will automatically terminate any existing ESP Customized Payment Option. If you discontinue payments when permitted, you may not re-enter the ESP Customized Payment Program for 12 months. You may not elect the Fixed Dollar Option or FWA Option if your contract is a non-qualified annuity that is aggregated with another contract for tax purposes under the serial contract rule.
  - Default Loan Restriction.** You may not enter the ESP Program if you have a loan in a default status. You will also be automatically terminated from the ESP Program if an active loan later defaults while enrolled in the program.
-

## Changes and Other Contract Activity

1. **Changes.** Subject to the limits described in Section II, you may change the Fixed Dollar Option amount and payment period once per calendar year. You may change the Interest Income or the FWA Option payment period once per calendar year, and may discontinue payments at any time. If you are eligible for a Required Minimum Distribution Option, you may convert to that option at any time but payments under the Required Minimum Distribution Option will be reduced by all ESP Program payments and other withdrawals for the year.
2. **Withdrawals and Loans.** While participating in the ESP Program, partial withdrawals, loans and surrenders are permitted. A partial withdrawal will reduce the penalty-free allowance provision which might otherwise be available for Customized Payments made later in that year. We may terminate Interest Income Payments if you take a withdrawal and your contract is a non-qualified annuity that is aggregated with another contract for tax purposes under the serial contract rule.

## Payment Amounts and Terms

1. **Duration of Payments.** Unless changed or terminated as provided in these terms and conditions, payments under a Customized Payment Option continue for your life or until your annuity contract is exhausted.
2. **Minimum Payments.** Initial net payments under the Interest Income Option must be a minimum of \$50 monthly. Initial net payments under the Fixed Dollar Option must be a minimum of \$50 monthly, \$150 quarterly, \$300 semi-annually, or \$600 annually. The Company may alter the payment mode if any net payments fail to meet these minimums.
3. **No Contract Exchange, Direct Rollover, Direct Transfer or 1035 Exchange.** Customized payments under the ESP Program may not be paid as a contract exchange, direct rollover, direct transfer or 1035 Exchange
4. **Program Changes and Termination.** The company reserves the right to change or terminate the ESP Program or any option at any time without notice.

## Effect on Other Annuity Contract Provisions

1. **Early Withdrawal Charges, Market Value Adjustments, and Proportionality.** Early Withdrawal Charges (including surrender charges, premature use charges) and Market Value Adjustments, if any, will apply to the extent that Customized Payments and other withdrawals exceed the penalty-free withdrawal allowance, if any, otherwise available under the contract at the time that the payment is made. Customized Payments will reduce the amount of any other penalty-free withdrawals which otherwise may be available under the contract during that year. Proportionality adjustments, if any, will apply to amounts withdrawn to make Customized Payments.
  2. **Availability of Annuity Value.** Under certain annuity contracts, the Annuity Value is available upon maturity only if payments are to be made for life or some minimum number of years. Payments under the ESP Program will not count toward meeting any such minimum requirement.
  3. **Loans.** If an outstanding loan reduces the net Surrender Value at the time of the payment to an amount less than the payment amount, Customized Payments will cease.
  4. **Effect on Any Persistency Bonus.** Payments under the ESP Program may reduce the values used to calculate the persistency bonus under the annuity contract, if applicable. As a result, the annuity contract may not qualify to receive any such bonus, or the amount of any such bonus may be reduced accordingly.
  5. **Effect on Fixed-Indexed Contracts.** To the extent that the Fixed Strategies are exhausted and payments are taken from an Indexed Strategy, no Indexed Interest will be paid for the current Term on the amount withdrawn unless the withdrawal happens at the end of a Term.
  6. **Effect on Living Benefit or Death Benefit Riders.** Customized Payment Option withdrawals will adversely affect any benefit under a living benefit rider or a death benefit rider. If you wish to set up living benefit rider payments, use form #X6026409NW.
  7. **Annuity Contract Minimums Enforced.** If a Fixed Dollar or FWA Option payment would cause the Surrender Value of your annuity contract to fall below the contract minimum, the Company reserves the right to surrender the annuity contract in full at that time.
-

<b>1a</b> First name and middle initial	Last name	<b>1b</b> Social security number
---	-----------	----------------------------------

Address

City or town, state, and ZIP code

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 line 2. Generally, you can't choose less than 10% for payments to be delivered outside the United States and its territories.
- For an eligible rollover distribution, the default withholding rate is 20%. You can choose a rate greater than 20% by entering the rate on line 2. You may not choose a rate less than 20%.

See page 2 for more information.

<b>2</b> Complete this line if you would like a rate of withholding that is different from the default withholding rate. See the instructions on page 2 and the Marginal Rate Tables below for additional information. Enter the rate as a whole number (no decimals)	<b>2</b>	%
---	----------	---

<b>Sign Here</b>	Your signature (This form is not valid unless you sign it.)	Date
------------------	---	------

**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](http://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 page 2 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.

**2025 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 page 2 for more information on how to use this table.

Single or Married filing separately		Married filing jointly or Qualifying surviving spouse		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%
15,000	10%	30,000	10%	22,500	10%
26,925	12%	53,850	12%	39,500	12%
63,475	22%	126,950	22%	87,350	22%
118,350	24%	236,700	24%	125,850	24%
212,300	32%	424,600	32%	219,800	32%
265,525	35%	531,050	35%	273,000	35%
641,350*	37%	781,600	37%	648,850	37%

\* If married filing separately, use \$390,800 instead for this 37% rate.

## 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.