



CITY OF BOYNTON BEACH MUNICIPAL FIREFIGHTERS PENSION TRUST FUND



APPLICATION FOR PENSION BENEFITS

Please print or type:

1. A. Name of Employee: _____
Last Name, First Name, Middle Name
- B. Social Security Number: _____
- C. Date of Birth: _____
(Attach proof)
- D. Home Phone Number: _____
- E. Cell Phone Number: _____
- F. E-Mail Address: _____
- G. Permanent Address to which check & correspondence can be sent:

2. A. Are you currently married? Yes _____ No _____
If yes, complete the following
- B. Name of Spouse: _____
Last Name, First Name, Middle Name
- C. Spouse's Social Security Number: _____
- D. Spouse's Date of Birth: _____
(Attach proof)
- E. Date of Marriage: _____
(Attach proof)
3. Date of Hire: _____
(MM/DD/Year)
4. Type of retirement for which you are applying (check one):
_____ Normal Retirement
_____ Early Retirement
_____ Deferred Vested Retirement

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Retirement Application

Page 2 of 2

5. I plan to retire on: _____
(MM/DD/Year)

B. Do you currently have any disciplinary action pending against you? If yes, please explain.

YES _____ NO _____

SOCIAL SECURITY NUMBER COLLECTION DISCLOSURE STATEMENT

Your social security number is requested for purposes of determining eligibility for retirement benefits as a plan member, retiree or beneficiary; for processing of retirement benefits; for verification of retirement benefits; for income reporting; or for other notice or disclosures related to retirement benefits. Your social security number will be used solely for one or more of these purposes. The collection and use of your social security number is authorized by Section 119.071(5)(a)(2)(a)(II), Florida Statutes.

I hereby certify that the above statements are true and correct to the best of my knowledge. I understand that a false statement may disqualify me for benefits.

I have reviewed the Designation of Beneficiary Form filed with the Board of Trustees and I hereby certify its accuracy. If I desire to change my designated beneficiary (ies), I will file a new Designation of Beneficiary Form with this Application.

This application revokes any prior applications.

MEMBER'S SIGNATURE

DATE

State of _____)
County of _____)

The foregoing instrument was subscribed, sworn to, and acknowledged before me this ____ day of _____, 20____, by _____, (name of personal acknowledging) who is personally known to me or has produced _____ (type of identification) as identification and did/did not take an oath.

(Seal)

Signature of Notary Public: _____
Print Name of Notary: _____
My Commission Expires: _____
Commission Number: _____



City of Boynton Beach Firefighters' Pension Fund

Beneficiary Designation Form

New Member Pre-Retirement DROP Normal/Early Retirement _____

MEMBER DATA

Member Name: _____ Pension Entry Date : ____ / ____ / ____

Marital Status: _____ SS#: _____ - _____ - _____ Date of Birth: ____ / ____ / ____
(Submit Proof) (Submit Proof)

Address: _____ City: _____ State: _____ Zip: _____

Phone : (____) _____ Cellular: (____) _____

Badge or ID #: _____ E-mail Address: _____

.....

PRIMARY BENEFICIARY

I _____ designate the following person as my *primary*
(Member Please Print Name)
beneficiary entitled to receive any benefits due in the event of my death:

Beneficiary Name: _____ Relationship: _____

Male: ___ Female: ___ SS#: _____ - _____ - _____ Date of Birth: ____ / ____ / ____
(Submit Proof)

Address: _____ City: _____ State: _____ Zip: _____

Phone: (____) _____ Cellular: (____) _____ E-mail Address: _____

A change in family status (marriage, divorce, etc.) may not effectively change a designation of beneficiary. However, pursuant to Florida Statutes §732,703, divorce or annulment may void the election of a former spouse as a designated beneficiary. To ensure that your assets are paid as you want them to be, keep your beneficiary updated.

CONTINGENT BENEFICIARY

I _____ designate the following person as my *contingent*
(Member Please Print Name)
beneficiary entitled to receive _____% benefits due in the event of my death and that of the primary beneficiary:

Beneficiary Name: _____ Relationship: _____

Male: ___ Female: ___ SS#: _____ - _____ - _____ Date of Birth: ____ / ____ / ____
(Submit Proof)

Address: _____ City: _____ State: _____ Zip: _____

Phone: (____) _____ Cellular: (____) _____ E-mail Address: _____

Boynton Beach Firefighters' Pension Fund - Beneficiary Designation Form - Page Two

Member Name: _____

CONTINGENT BENEFICIARY

I _____ designate the following person as my *contingent*
(Member Please Print Name) |
beneficiary entitled to receive _____% benefits due in the event of my death and that of the
primary beneficiary:

Beneficiary Name: _____ **Relationship:** _____

Male: ___ **Female:** ___ **SS#:** _____ - _____ - _____ **Date of Birth:** ____/____/____
(Submit Proof)

Address: _____ **City:** _____ **State:** ____ **Zip:** _____

Phone: (____) _____ **Cellular:** (____) _____ **E-mail Address:** _____

CONTINGENT BENEFICIARY

I _____ designate the following person as my *contingent*
(Member Please Print Name) |
beneficiary entitled to receive _____% benefits due in the event of my death and that of the
primary beneficiary:

Beneficiary Name: _____ **Relationship:** _____

Male: ___ **Female:** ___ **SS#:** _____ - _____ - _____ **Date of Birth:** ____/____/____
(Submit Proof)

Address: _____ **City:** _____ **State:** ____ **Zip:** _____

Phone: (____) _____ **Cellular:** (____) _____ **E-mail Address:** _____

By my signature below, I acknowledge that under Florida law a change in my marital status (marriage, divorce, annulment) may affect the Plan's ability to pay benefits to the above designated beneficiary and that it is my responsibility to notify the Office of Retirement of any changes to my designated beneficiary. I understand that if an updated form is not on file at the time of my death specifically designating my "former spouse" as my beneficiary, then my former spouse may be treated by the plan as automatically predeceasing me and he or she will not receive a benefit from the plan.

The foregoing designation of beneficiaries revokes any and all prior designations of beneficiaries (if applicable). I also acknowledge that it is my responsibility to notify the Board of Trustees of the Boynton Beach Firefighters' Pension Fund or their designee should any change in beneficiary be necessitated in the future, or if there is (are) any other change(s) that may affect the accuracy of this form.

Member or Retiree's Signature

Date

State of _____ County of _____

The foregoing instrument was acknowledged before me this ____/____/____ by
Date

_____, who is personally known to me or who has
(Name of person acknowledging)

produced _____ as identification and did (did not) take a oath
(Type of identification)

Notary Public

Boynton Beach Firefighters' Pension Fund - Beneficiary Designation Form - Page Three

Member Name: _____

Return to:

**Boynton Beach Firefighters' Pension Fund
2100 North Florida Mango Road
West Palm Beach, Florida 33409**

SOCIAL SECURITY NUMBER COLLECTION DISCLOSURE STATEMENT

Your social security number is requested for purposes of determining eligibility for retirement benefits as a plan member, retiree or beneficiary; for processing of retirement benefits; for verification of retirement benefits; for income reporting; or for other notice or disclosures related to retirement benefits. Your social security number will be used solely for one or more of these purposes. The collection and use of your social security number is authorized by Section 119.071(5)(a)(2)(a)(II), Florida Statutes.

Office use only

Updated/Entered By: _____

Date: _____



**CITY OF BOYNTON BEACH
MUNICIPAL FIREFIGHTERS
PENSION TRUST FUND**



AFFIDAVIT REGARDING MARITAL STATUS

STATE OF FLORIDA)
COUNTY OF _____) SS.

I _____, being duly sworn, hereby depose and state the following:
(Print Name)

I am a member of the City of Boynton Beach Municipal Firefighters Pension Trust Fund applying for benefits, entering the Deferred Retirement Option Plan or a refund of contributions from the City of Boynton Beach Municipal Firefighters Pension Trust Fund:

INITIAL THE APPLICABLE LINE BELOW:

- A. _____ I have been involved in a divorce proceeding(s) and hereby represent that I have attached a copy of all divorce decrees, property settlement agreements, income deduction orders and child support orders concerning my divorce.
- B. _____ At the time of submission of this application, I affirm that I have never been divorced and I am not subject to any divorce decrees, property settlement agreements, income deduction orders or court-ordered child support awards.

FURTHER AFFIANT SAYETH NAUGHT.

Signature of Member

The foregoing instrument was subscribed, sworn to, and acknowledged before me this ____ day of _____, 20____, by _____, (name of personal acknowledging) who is personally known to me or has produced _____ (type of identification) as identification and did/did not take an oath.

(Seal)

Signature of Notary Public

Print Name of Notary: _____
My Commission Expires: _____
Commission Number: _____



**CITY OF BOYNTON BEACH
MUNICIPAL FIREFIGHTERS
PENSION TRUST FUND**



QDRO AFFIDAVIT

This form is an affidavit acknowledging that no Qualified Domestic Relations Order (QDRO) currently exists prior to entering the Deferred Retirement Option Plan, refund of pension contributions, and/or distributing any portion of this member's benefits due from the City of Boynton Beach Municipal Firefighters Pension Trust Fund.

STATE OF FLORIDA)
COUNTY OF _____)

I, _____, being duly sworn, hereby depose and state as follows:

1. I am a member in the **City of Boynton Beach Municipal Firefighters Pension Trust Fund** and I am applying for benefits from the Fund.
2. At the time of submission of this application, there is no QDRO that exists distributing any interest in my **City of Boynton Beach Municipal Firefighters Pension Trust Fund** account to any former spouse(s).

FURTHER AFFIANT SAYETH NAUGHT.

Signature of Member

Print Name: _____

STATE OF FLORIDA)
COUNTY OF _____)

The foregoing instrument was subscribed, sworn to, and acknowledged before me this ____ day of _____, 20____, by _____, (name of personal acknowledging) who is personally known to me or has produced _____ (type of identification) as identification and did/did not take an oath.

(Seal)

Signature of Notary Public
Print Name of Notary: _____
My Commission Expires: _____
Commission Number: _____



CITY OF BOYNTON BEACH MUNICIPAL FIREFIGHTERS PENSION TRUST FUND



DIRECT DEPOSIT AGREEMENT

If you wish to have pension checks deposited electronically into your financial institution account, PLEASE RETURN THIS AGREEMENT TO THE PENSION ADMINISTRATOR, along with a voided check or voided savings deposit form. If your bank is not a member of the Automated Clearing House (ACH), your Pension Administrator will notify you, and this authorization will be canceled. All banking information must be approved by the Board of Trustees (or their designee).

A. PERSONAL INFORMATION

Your Name (Last, First Middle):

Home Address _____ City _____ State _____ Zip _____

_____/_____/_____/_____/_____

B. FINANCIAL INSTITUTION INFORMATION

Financial Institution Name _____ ABA Routing Number _____

_____/_____/_____

Branch Address _____ City _____ State _____ Zip _____

_____/_____/_____/_____/_____

Account Number _____ Name on Account _____

_____/_____

C. AUTHORIZATION

I authorize the City of Boynton Beach Municipal Firefighters Pension Trust Fund to make all benefit payments to which I am entitled by direct deposit to the account designated above. To correct any overpayments made to my account during or after my lifetime, I hereby authorize and direct the financial institution designated above to debit my account and refund such overpayment to the City of Boynton Beach Municipal Firefighters Pension Trust Fund bank or institution of their choice. The authorization is to remain in force until I revoke it in writing or if the City of Boynton Beach Municipal Firefighters Pension Trust Fund terminates the direct deposit service. I will send all notices relating to direct deposit through the City of Boynton Beach Municipal Firefighters Pension Trust Fund. I understand that I must allow reasonable time for any changes to be executed.

Signature of Fund Member

Date

Print Name of Fund Member

Official Use Only

Received By: _____ Date Received: _____ Date Changed at Bank: _____

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CITY OF BOYNTON BEACH MUNICIPAL FIREFIGHTERS PENSION TRUST FUND



MEDICAL DEDUCTION AUTHORIZATION FROM YOUR RETIREMENT BENEFITS

WHEREAS, Section 185.05(6), Florida Statutes, provides that the Board of Trustees may, upon written request by the retiree of the plan, withhold from the monthly retirement payment those funds that are necessary to pay for benefits received through the governmental entity from which the employee retired;

WHEREAS, retired firefighters and their dependents are eligible to participate in the insurance program provided by the City of Boynton Beach upon the firefighters or their eligible dependents paying the appropriate premium; and

WHEREAS, Section 408 of the Internal Revenue Code was amended by the Pension Protection Act (PPA) of 2006 to provide beginning January 1, 2007 that "eligible retired public safety officers" will receive up to a \$3,000 taxable income exclusion toward the cost of health insurance if payment of the premiums is made directly to the provider of the accident or health insurance plan by deduction from a distribution from the eligible retirement plan;

1. Therefore, I, _____ the undersigned retired firefighter of the City of Boynton Beach do hereby authorize the Board of Trustees of the City of Boynton Beach Municipal Firefighters Pension Trust Fund and the custodian of the City of Boynton Beach Municipal Firefighters Pension Trust Fund, to deduct from my monthly pension benefits from the City of Boynton Beach Municipal Firefighters Pension Trust Fund and to pay directly to the City of Boynton Beach, and in turn to the provider of health, dental and/or other insurance, if applicable, those premiums necessary for the undersigned to maintain coverage with the life, health, accident, hospitalization or annuity insurance provided by the City of Boynton Beach to retired firefighters and their spouses and dependents, which coverage I have elected to maintain. This authorization shall include any increases each year in the premiums for such insurance which I have elected to maintain coverage.
2. I hereby certify that I am a retired public safety officer as defined by 42 U.S.C. 3796b(9)(A), that I retired from the plan under Normal Retirement (Not Early) or Disability Retirement and I am not receiving a benefit as a terminated vested person.
3. This deduction shall take effect as soon as is administratively possible after directions are received by Fiduciary Trust from the Board of Trustees, unless a later start date is directed.
4. This deduction shall continue to be in effect until I request that Fiduciary Trust be given direction from the Board to cease this deduction, unless a later stop date is directed. The custodian shall cease the deduction as soon as is administratively possible.
5. I understand that:
 - A. Every effort will be made to maximize a retiree's annual tax free deductions under this program. However, due to rounding or changing of premiums, differences in alignment between calendar years, taxable years, benefit years and fiscal years, differences between the record keeping and invoicing procedures between the parties involved and due to other administrative matters beyond the control of the parties, neither the City of Boynton Beach Municipal Firefighters Pension Trust Fund Trustees nor the City of Boynton Beach makes any guarantee that a retiree will receive the maximum tax free allowance for each year.

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MEDICAL DEDUCTION AUTHORIZATION FORM

B. This program is subject to change at any time based on Internal Revenue Service interpretations, changes to the PPA, or in the case that this program is found to be in conflict with other federal, state or local laws. In the event of a conflict between this program and governmental regulations, official interpretations, or other relevant legal decisions, this program shall be subordinate.

C. This program is furnished by the Board of Trustees of the City of Boynton Beach Municipal Firefighters Pension Trust Fund as a customer service to retired participants. Neither the Board nor the City of Boynton Beach accepts any liability and makes no guarantees regarding the tax implications of any health insurance premiums paid through this program. As always, retirees should consult with a professional tax advisor regarding matters of the taxability or non-taxability of pension and health insurance benefits.

D. The Board of Trustees reserves the right to require retirees participating under this program to pay any such costs as may be assessed by the fund custodian, the plan administrator or the qualified health insurance provider in the future for the processing, disbursement or acceptance of insurance policy premium payments.

E. I understand that the City of Boynton Beach Municipal Firefighters Pension Trust Fund or their designee is not responsible for lapsed premiums or lapsed insurance policy coverage or any other coverage or benefit issues that may arise between my insurance carrier and myself.

F. I take full responsibility for the accuracy and truth of all the information I have provided and certify that I am entitled to these benefits.

G. I understand that by electing to participate in the federal tax exclusion, I will be decreasing my federal taxable income. This tax exclusion may not apply to state taxation.

H. I understand that I may not request additional tax-preferred treatment of the applicable exclusion amount (up to \$3,000.00 annually), from any other qualified retirement systems (i.e. Governmental defined benefit plans, or 403(b) plans).

I. I understand that the Retirement System is complying with federal law by withholding insurance premiums from my pension benefits. In doing so, the Retirement System is only performing an administrative function and is only responsible for payment of premiums, as required by law.

J. I understand that the health insurance premium withholding may affect tax withholding from my monthly pension annuity.

IMPORTANT LEGAL NOTICE

THE IRS HAS NOT PROVIDED GUIDANCE TO DATE ON THE APPLICATION OF THIS PROGRAM. AS A CONDITION OF PARTICIPATION IN THIS PROGRAM, THE MEMBER ACCEPTS ALL RESPONSIBILITY FOR TRUTH OF THE INFORMATION PROVIDED TO THE PLAN. IN ADDITION, IN CONSIDERATION OF PARTICIPATION, THE MEMBER AGREES THAT THE City of Boynton Beach Municipal Firefighters Pension Trust Fund, ITS STAFF OR ADVISORS, AND THE EMPLOYER HAVE NO LIABILITY FOR ANY ADDITIONAL TAX LIABILITY, INCLUDING INTEREST AND PENALTIES THAT MAY ARISE FROM PARTICIPATION.

AS THIS WAIVER INVOLVES YOUR LEGAL RIGHTS, YOU ARE ADVISED TO SEEK COMPETENT LEGAL ADVICE PRIOR TO PARTICIPATING IN THE PROGRAM. I UNDERSTAND AND AGREE THAT I HAVE HAD A FULL OPPORTUNITY TO HAVE MY QUESTIONS ANSWERED AND TO SEEK OUTSIDE ADVICE.

MEDICAL DEDUCTION AUTHORIZATION FORM

WAIVER OF CLAIMS

BY SIGNING THIS FORM, I AGREE THAT I WILL NOT MAKE ANY LEGAL CLAIM OF ANY KIND AGAINST CITY OF BOYNTON BEACH, CITY OF BOYNTON BEACH MUNICIPAL FIREFIGHTERS PENSION TRUST FUND OR THEIR DESIGNEES, THE RETIREMENT SYSTEM, ITS STAFF, ALL VENDERS AND ADVISORS, AND THE EMPLOYER SHOULD BY PARTICIPATION IN THIS PROGRAM RESULT IN UNEXPECTED TAX LIABILITY TO ME, INCLUDING INTEREST AND PENALTIES. I UNDERSTAND THAT MY ABILITY TO PARTICIPATE IN THIS PROGRAM IS A VALUABLE BENEFIT FOR WHICH I AM WILLING TO SIGN THIS WAIVER OF ALL CLAIMS. I FURTHER RELEASE THE RETIREMENT SYSTEM, ITS STAFF AND ADVISORS, AND THE EMPLOYER FROM ANY LIABILITY ARISING FROM THE ADMINISTRATION OF PAYMENTS TO ANY INSURER.

Date: _____

Signature of Member: _____

Print Name: _____

State of Florida)
County of _____)

The foregoing instrument was subscribed, sworn to, and acknowledged before me this ____ day of _____, 20____, by _____, (name of personal acknowledging) who is personally known to me or has produced _____ (type of identification) as identification and did/did not take an oath.

(Seal)

Signature of Notary Public
Print Name of Notary: _____
My Commission Expires: _____
Commission Number: _____

Retirement Benefit Payment Services
State Income Tax Withholding Election

Participant Name: _____ Social Security Number _____
 Address 1 _____
 Address 2 _____
 City, State Zip _____

Part 1 – Legal Residence

My legal residence is the same as the mailing address printed above.

My legal residence is as follows:

Part 2 – State Income Withholding Election Information contained here is subject to change and should be used in conjunction with the applicable state tax laws. This document will not substitute for the advice of a tax advisor. For the most current state tax information, consult your tax advisor or your state revenue department.

Residents of . . .	Your Election
Alaska (AK) Florida (FL) Hawaii (HI) Nevada (NV) New Hampshire (NH) South Dakota (SD) Tennessee (TN) Texas (TX) Washington (WA) Wyoming (WY)	State income tax withholding is not required nor allowed. Please sign form and return.
Pennsylvania (PA)	PA state tax withholding is not offered. Please sign form and return.

<p> Delaware (DE) Iowa (IA) Kansas (KS) Maine (ME) Massachusetts (MA) Nebraska (NE) Oklahoma (OK) </p>	<p>State income tax withholding is mandatory if you elect to have federal income tax withheld. If you do not want state income tax withheld, you must elect to have no federal tax withheld on Federal Tax Form W-4P.</p> <p><u>YOUR ELECTION:</u></p> <p><input type="checkbox"/> I do not want state income tax withheld and I have elected not to have Federal Tax withheld.</p> <p><input type="checkbox"/> DE, KS, OK, MA: I elect to have state tax withheld as follows:</p> <p style="padding-left: 40px;">Marital status: <input type="checkbox"/> Married <input type="checkbox"/> Single</p> <p style="padding-left: 40px;">Allowances: _____</p> <p style="padding-left: 40px;">Additional Amount: \$ _____</p> <p><input type="checkbox"/> IA: I elect to have 5% withheld. I would also like additional withholding of: \$ _____. (Additional withholding is optional.)</p> <p><input type="checkbox"/> ME, NE: State withholding is based on your federal tax election. Check this box to have state tax withheld.</p>
<p> Arkansas (AR) California (CA) Georgia (GA) North Carolina (NC) Oregon (OR) Vermont (VT) Virginia (VA) </p>	<p>State income tax withholding is mandatory <i>unless you specifically elect to no withholding.</i></p> <ul style="list-style-type: none"> ▪ AR: Residents cannot elect out of mandatory 5% state tax withholding if an eligible rollover distribution is not rolled over. This is for non-periodic (eligible rollover distribution) distributions only. ▪ VA: Residents can only elect no withholding if (a) the same choice was made for federal purposes, (b) recipient is a nonresident, (c) recipient expects to have no tax liability, or (d) recipient's adjusted gross income is less than \$7,000 if single, \$14,000 if married. Residents cannot elect out of mandatory 4% state tax withholding if an eligible rollover distribution is not rolled over. <p><u>YOUR ELECTION:</u></p> <p><input type="checkbox"/> I do not want state income tax withheld.</p> <p><input type="checkbox"/> I elect to have state tax withheld as follows:</p> <p style="padding-left: 40px;">Marital status: <input type="checkbox"/> Married <input type="checkbox"/> Single</p> <p style="padding-left: 40px;">Allowances: _____</p> <p style="padding-left: 40px;">Additional Amount: \$ _____</p>

Part 4 – Authorization

I, the undersigned, hereby certify that my legal residence in Part 1 is accurate and I authorize state taxes to be withheld as indicated on this form. I understand the information presented on this form is for informational purposes only and is not intended as tax advice.

Signature: _____ Date: _____

CITY OF BOYNTON BEACH MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND SPECIAL TAX NOTICE

YOUR ROLLOVER OPTIONS

You are receiving this notice because all or a portion of a payment you are receiving from the City of Boynton Beach Municipal Firefighters' Pension Trust Fund (the "Plan") is eligible to be rolled over to an IRA or an employer plan. This notice is intended to help you decide whether to do such a rollover.

This notice describes the rollover rules that apply to payments from the Plan that are not from a designated Roth account (a type of account with special tax rules in some employer plans). If you also receive a payment from a designated Roth account in the Plan, you will be provided a different notice for that payment, and the Plan administrator or the payor will tell you the amount that is being paid from each account.

Rules that apply to most payments from a Plan are described in the "General Information About Rollovers" section. Special rules that only apply in certain circumstances are described in the "Special Rules and Options" section.

GENERAL INFORMATION ABOUT ROLLOVERS

How can a rollover affect my taxes?

You will be taxed on a payment from the Plan if you do not roll it over. If you are under age 59½ and do not do a rollover, you will also have to pay a 10% additional income tax on early distributions (unless an exception applies). However, if you do a rollover, you will not have to pay tax until you receive payments later and the 10% additional income tax will not apply if those payments are made after you are age 59½ (or if an exception applies).

Where may I roll over the payment?

You may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity) or an employer plan (a tax-qualified plan, section 403(b) plan, or governmental section 457(b) plan) that will accept the rollover. The rules of the IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the IRA or employer plan (for example, no spousal consent rules apply to IRAs and IRAs may not provide loans). Further, the amount rolled over will become

subject to the tax rules that apply to the IRA or employer plan.

How do I do a rollover?

There are two ways to do a rollover. You can do either a direct rollover or a 60-day rollover.

If you do a direct rollover, the Plan will make the payment directly to your IRA or an employer plan. You should contact the IRA sponsor or the administrator of the employer plan for information on how to do a direct rollover.

If you do not do a direct rollover, you may still do a rollover by making a deposit into an IRA or eligible employer plan that will accept it. You will have 60 days after you receive the payment to make the deposit. If you do not do a direct rollover, the Plan is required to withhold 20% of the payment for federal income taxes (up to the amount of cash and property received other than employer stock). This means that, in order to roll over the entire payment in a 60-day rollover, you must use other funds to make up for the 20% withheld. If you do not roll over the entire amount of the payment, the portion not rolled over will be taxed and will be subject to the 10% additional income tax on early distributions if you are under age 59½ (unless an exception applies).

How much may I roll over?

If you wish to do a rollover, you may roll over all or part of the amount eligible for rollover. Any payment from the Plan is eligible for rollover, except:

- Certain payments spread over a period of at least 10 years or over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Required minimum distributions after age 72¹ (or after death)
- Hardship distributions
- ESOP dividends
- Corrective distributions of contributions that exceed tax law limitations
- Loans treated as deemed distributions (for example, loans in default due to missed payments before your employment ends)
- Cost of life insurance paid by the Plan
- Payments of certain automatic enrollment contributions requested to be withdrawn within 90 days of the first contribution
- Amounts treated as distributed because of a prohibited allocation of S corporation stock under an ESOP (also, there will generally be adverse tax consequences if you roll over a distribution of S corporation stock to an IRA).

¹

Effective January 1, 2020, if you have not already attained age 70½ you may now wait until age 72 to begin receiving the required minimum distributions.

The Plan administrator or the payor can tell you what portion of a payment is eligible for rollover.

If I don't do a rollover, will I have to pay the 10% additional income tax on early distributions?

If you are under age 59½, you will have to pay the 10% additional income tax on early distributions for any payment from the Plan (including amounts withheld for income tax) that you do not roll over, unless one of the exceptions listed below applies. This tax is in addition to the regular income tax on the payment not rolled over.

The 10% additional income tax does not apply to the following payments from the Plan:

- Payments made after you separate from service if you will be at least age 55 in the year of the separation
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Payments from a governmental defined benefit pension plan made after you separate from service if you are a public safety employee and you are at least age 50 in the year of the separation
- Payments made due to disability
- Payments after your death
- Payments of ESOP dividends
- Corrective distributions of contributions that exceed tax law limitations
- Cost of life insurance paid by the Plan
- Payments made directly to the government to satisfy a federal tax levy
- Payments made under a qualified domestic relations order (QDRO)
- Payments up to the amount of your deductible medical expenses
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001 for more than 179 days
- Payments of certain automatic enrollment contributions requested to be withdrawn within 90 days of the first contribution
- Payments for certain distributions relating to certain federally declared disasters
- Phased retirement payments made to federal employees.

If I do a rollover to an IRA, will the 10% additional income tax apply to early distributions from the IRA?

If you receive a payment from an IRA when you are under age 59½, you will have to pay the 10% additional income tax on early distributions from the IRA, unless an exception applies. In general, the exceptions to the 10% additional income tax for early distributions

from an IRA are the same as the exceptions listed above for early distributions from a plan. However, there are a few differences for payments from an IRA, including:

- There is no exception for payments after separation from service that are made after age 55.
- The exception for qualified domestic relations orders (QDROs) does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse).
- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.
- There are additional exceptions for (1) payments for qualified higher education expenses, (2) payments up to \$10,000 used in a qualified first-time home purchase, and (3) payments for health insurance premiums after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

Will I owe State income taxes?

This notice does not describe any State or local income tax rules (including withholding rules).

SPECIAL RULES AND OPTIONS

If your payment includes after-tax contributions

After-tax contributions included in a payment are not taxed. If a payment is only part of your benefit, an allocable portion of your after-tax contributions is included in the payment, so you cannot take a payment of only after-tax contributions. However, if you have pre-1987 after-tax contributions maintained in a separate account, a special rule may apply to determine whether the after-tax contributions are included in a payment. In addition, special rules apply when you do a rollover, as described below.

You may roll over to an IRA a payment that includes after-tax contributions through either a direct rollover or a 60-day rollover. You must keep track of the aggregate amount of the after-tax contributions in all of your IRAs (in order to determine your taxable income for later payments from the IRAs). If you do a direct rollover of only a portion of the amount paid from the Plan and at the same time the rest is paid to you, the portion directly rolled over consists first of the amount that would be taxable if not rolled over. For example, assume you are receiving a distribution of \$12,000, of which \$2,000 is after-tax contributions. In this case, if you directly roll over \$10,000 to an IRA that is not a Roth IRA,

no amount is taxable because the \$2,000 amount not directly rolled over is treated as being after-tax contributions. If you do a direct rollover of the entire amount paid from the plan to two or more destinations at the same time, you can choose which destination receives the after-tax contributions.

If you do a 60-day rollover to an IRA of only a portion of a payment made to you, the after-tax contributions are treated as rolled over last. For example, assume you are receiving a distribution of \$12,000, of which \$2,000 is after-tax contributions, and no part of the distribution is directly rolled over. In this case, if you roll over \$10,000 to an IRA that is not a Roth IRA in a 60-day rollover, no amount is taxable because the \$2,000 amount not rolled over is treated as being after-tax contributions.

You may roll over to an employer plan all of a payment that includes after-tax contributions, but only through a direct rollover (and only if the receiving plan separately accounts for after-tax contributions and is not a governmental section 457(b) plan). You can do a 60-day rollover to an employer plan of part of a payment that includes after-tax contributions, but only up to the amount of the payment that would be taxable if not rolled over.

If you miss the 60-day rollover deadline

Generally, the 60-day rollover deadline cannot be extended. However, the IRS has the limited authority to waive the deadline under certain extraordinary circumstances, such as when external events prevented you from completing the rollover by the 60-day rollover deadline. To apply for a waiver, you must file a private letter ruling request with the IRS. Private letter ruling requests require the payment of a nonrefundable user fee. For more information, see IRS Publication 590-A, *Individual Retirement Arrangements (IRAs)*.

If your payment includes employer stock that you do not roll over

If you do not do a rollover, you can apply a special rule to payments of employer stock (or other employer securities) that are either attributable to after-tax contributions or paid in a lump sum after separation from service (or after age 59½, disability, or the participant's death). Under the special rule, the net unrealized appreciation on the stock will not be taxed when distributed from the Plan and will be taxed at capital gain rates when you sell the stock. Net unrealized appreciation is generally the increase in the value of employer stock after it was acquired by the Plan. If you do a rollover for a payment that includes employer stock (for example, by selling the stock and rolling over the proceeds within 60 days of the payment), the special rule relating to the distributed employer stock will not apply to any subsequent payments from the IRA or employer plan. The Plan administrator can tell you the amount of any net unrealized appreciation.

If you have an outstanding loan that is being offset

If you have an outstanding loan from the Plan, your Plan benefit may be offset by the amount of the loan, typically when your employment ends. The loan offset amount is treated as a distribution to you at the time of the offset and will be taxed (including the 10% additional income tax on early distributions, unless an exception applies) unless you do a 60-day rollover in the amount of the loan offset to an IRA or employer plan.

How long you have to complete the rollover depends on what kind of plan loan you have. If you have a qualified plan loan offset, you will have until your tax return date (including extensions) for the tax year during which the offset occurs to complete your rollover. A qualified plan loan offset occurs when a plan loan in good standing is offset because your employer plan terminates, or because you sever from employment. If your plan loan offset occurs for any other reason, then you have 60 days from the date the offset occurs to complete your rollover.

If you were born on or before January 1, 1936

If you were born on or before January 1, 1936 and receive a lump sum distribution that you do not roll over, special rules for calculating the amount of the tax on the payment might apply to you. For more information, see IRS Publication 575, *Pension and Annuity Income*.

If your payment is from a governmental section 457(b) plan

If the Plan is a governmental section 457(b) plan, the same rules described elsewhere in this notice generally apply, allowing you to roll over the payment to an IRA or an employer plan that accepts rollovers. One difference is that, if you do not do a rollover, you will not have to pay the 10% additional income tax on early distributions from the Plan even if you are under age 59½ (unless the payment is from a separate account holding rollover contributions that were made to the Plan from a tax-qualified plan, a section 403(b) plan, or an IRA). However, if you do a rollover to an IRA or to an employer plan that is not a governmental section 457(b) plan, a later distribution made before age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies). Other differences are that you cannot do a rollover if the payment is due to an "unforeseeable emergency" and the special rules under "If your payment includes employer stock that you do not roll over" and "If you were born on or before January 1, 1936" do not apply.

If you are an eligible retired public safety officer and your pension payment is used to pay for health coverage or qualified long-term care insurance

If the Plan is a governmental plan, you retired as a public safety officer, and your retirement was by reason of disability or was after normal retirement age, you can exclude from your taxable income plan payments paid directly as premiums to an accident or health plan (or a qualified long-term care insurance contract) that your employer maintains for you, your spouse, or your dependents, up to a maximum of \$3,000 annually. For this purpose, a public safety officer is a law enforcement officer, firefighter, chaplain, or member of a rescue squad or ambulance crew.

If you roll over your payment to a Roth IRA

If you roll over the payment from the Plan to a Roth IRA, a special rule applies under which the amount of the payment rolled over (reduced by any after-tax amounts) will be taxed. However, the 10% additional income tax on early distributions will not apply (unless you take the amount rolled over out of the Roth IRA within 5 years, counting from January 1 of the year of the rollover).

If you roll over the payment to a Roth IRA, later payments from the Roth IRA that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a Roth IRA is a payment made after you are age 59½ (or after your death or disability, or as a qualified first-time homebuyer distribution of up to \$10,000) and after you have had a Roth IRA for at least 5 years. In applying this 5-year rule, you count from January 1 of the year for which your first contribution was made to a Roth IRA. Payments from the Roth IRA that are not qualified distributions will be taxed to the extent of earnings after the rollover, including the 10% additional income tax on early distributions (unless an exception applies). You do not have to take required minimum distributions from a Roth IRA during your lifetime. For more information, see IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*, and IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*.

If you are not a plan participant

Payments after death of the participant. If you receive a distribution after the participant's death that you do not roll over, the distribution will generally be taxed in the same manner described elsewhere in this notice. However, the 10% additional income tax on early distributions and the special rules for public safety officers do not apply, and the special rule described under the section "If you were born on or before January 1, 1936" applies only if the participant was born on or before January 1, 1936.

If you are a surviving spouse. If you receive a payment from the Plan as the surviving spouse of a deceased participant, you have the same rollover options that the participant would have had, as described elsewhere in this notice. In addition, if you choose to do a rollover to an IRA, you may treat the IRA as your own or as an inherited IRA.

An IRA you treat as your own is treated like any other IRA of yours, so that payments made to you before you are age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies) and required minimum distributions from your IRA do not have to start until after you are age 72, provided you have not already attained age 70½.

If you treat the IRA as an inherited IRA, payments from the IRA will not be subject to the 10% additional income tax on early distributions. However, if the participant had started taking required minimum distributions, you will have to receive required minimum distributions from the inherited IRA. If the participant had not started taking required minimum distributions from the Plan, you will not have to start receiving required minimum distributions from the inherited IRA until the year the participant would have been age 72.

If you are a surviving beneficiary other than a spouse. If you receive a payment from the Plan because of the participant's death and you are a designated beneficiary other than a surviving spouse, the only rollover option you have is to do a direct rollover to an inherited IRA. Payments from the inherited IRA will not be subject to the 10% additional income tax on early distributions. You will have to receive required minimum distributions from the inherited IRA.

Payments under a qualified domestic relations order. If you are the spouse or former spouse of the participant who receives a payment from the Plan under a qualified domestic relations order (QDRO), you generally have the same options the participant would have (for example, you may roll over the payment to your own IRA or an eligible employer plan that will accept it). Payments under the QDRO will not be subject to the 10% additional income tax on early distributions.

If you are a nonresident alien

If you are a nonresident alien and you do not do a direct rollover to a U.S. IRA or U.S. employer plan, instead of withholding 20%, the Plan is generally required to withhold 30% of the payment for federal income taxes. If the amount withheld exceeds the amount of tax you owe (as may happen if you do a 60-day rollover), you may request an income tax refund by filing Form 1040NR and attaching your Form 1042-S. See Form W-8BEN for claiming that you are entitled to a reduced rate of withholding under an income tax treaty. For more information, see also IRS Publication 519, *U.S. Tax Guide for Aliens*, and IRS Publication 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*.

Other special rules

If a payment is one in a series of payments for less than 10 years, your choice whether to make a direct rollover will apply to all later payments in the series (unless you make a different choice for later payments).

If your payments for the year are less than \$200 (not including payments from a designated Roth account in the Plan), the Plan is not required to allow you to do a direct rollover and is not required to withhold for federal income taxes. However, you may do a 60-day rollover.

Unless you elect otherwise, a mandatory cashout of more than \$1,000 (not including payments from a designated Roth account in the Plan) will be directly rolled over to an IRA chosen by the Plan administrator or the payor. A mandatory cashout is a payment from a

plan to a participant made before age 62 (or normal retirement age, if later) and without consent, where the participant's benefit does not exceed \$5,000 (not including any amounts held under the plan as a result of a prior rollover made to the plan).

You may have special rollover rights if you recently served in the U.S. Armed Forces. For more information, see IRS Publication 3, *Armed Forces' Tax Guide*.

FOR MORE INFORMATION

You may wish to consult with the Plan administrator or payor, or a professional tax advisor, before taking a payment from the Plan. Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, *Pension and Annuity Income*; IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*; IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*; and IRS Publication 571, *Tax-Sheltered Annuity Plans (403(b) Plans)*. These publications are available from a local IRS office, on the web at www.irs.gov, or by calling 1-800-TAX-FORM.

* * *

I HAVE RECEIVED THE PRECEDING 9-PAGE SPECIAL TAX NOTICE:

Date: _____

Participant's Signature

Print Clearly Participant's Name

Note: Return ONLY this last page (numbered 10 of 10) to:

City of Boynton Beach Municipal Firefighters' Pension Trust Fund

c/o Dave Williams

Plan Administrator

13790 NW 4th Street, Suite 105

Sunrise, FL 33325

Email: davew@bbffp.org

Telephone: (954) 636-7170