

# DEFINED BENEFIT PLAN AUTHORIZATION FOR DEATH BENEFIT ROLLOVER



**Beneficiary of Deceased SERS Member:** Complete PART I and then forward the form to your financial institution.  
**Financial Institution:** Complete PART II and return the form to SERS.

PART I - BENEFICIARY INFORMATION		
Beneficiary SSN/EIN	Beneficiary Telephone Number	Deceased SERS Member SSN
Full Name (First, Middle, Last)		
Address		
City, State, Zip		
I hereby request and authorize the State Employees' Retirement System to directly roll over the following amount to the financial institution named in Part II.		
	<b>All</b>	<b>Partial</b>
Taxable portion of the death benefit payment:	<input type="checkbox"/>	<input type="checkbox"/>
Non-taxable portion of the death benefit payment:	<input type="checkbox"/>	<input type="checkbox"/>
		Specific Amount \$ _____
I hereby affirm that the information entered above is true and correct to the best of my knowledge and belief, subject to the penalties prescribed by 18 Pa. C.S.A §4904 (un-sworn falsifications to authorities).		
Beneficiary Signature	Date	
PART II - FINANCIAL INSTITUTION AGREEMENT		
Account Number If blank, Social Security number will be used. (Must use a separate form for each separate account.)		
<input type="text"/> Account Type (Must check one) <input type="checkbox"/> Traditional IRA or Other Qualified Plan <input type="checkbox"/> Roth IRA <input type="checkbox"/> Inherited IRA		
Name of Financial Institution (As you want the payee line to appear)	Date	
Street Address	Branch Telephone Number	
City, State, Zip	Funds will be transferred three - six weeks after receipt of this form.	
Financial Institution Agreement: By the authorized signature below, we agree to accept the transferred assets to deposit them into a qualified IRA or other qualified plan. <b>We understand that payment will not be made until the deceased SERS member's account is processed. PART 2 must be completed and signed by qualified plan. Failure to complete will invalidate the rollover.</b>		
Printed Name & Title	Authorized Signature	

The IRS has acknowledged the status of SERS as a governmental plan and treats SERS as qualified under Internal Revenue Code, Section 401 (a).

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You are to receive a death benefit payment from a deceased SERS member's pension. There may be tax benefits to rolling the money into an IRA or other qualified plan. Specific IRS rules apply, so please read all information on this sheet, the enclosed *Defined Benefit Plan Authorization for Death Benefit Rollover* form and *Rollover Election* form, and talk with a qualified tax advisor or financial planner before you make a decision about how you want us to distribute the money.

If you decide that a rollover is right for you, we must receive your completed rollover forms **within 45 days**, or your payment minus the required 20% for federal taxes will be paid directly to you.

If you would like to defer taxes on the taxable portion of your payment, the money must be rolled directly from SERS to your financial institution through a "Trust-to-Trust" transfer.

If you were the **spouse** of the deceased SERS member, you have two options for a direct rollover of the money:

## 1. Rollover to Traditional IRA or other Qualified Plan

The money you transfer plus the interest it accrues is not taxable **until you withdraw it**. If you withdraw your money **prior to age 59½**, you may be subject to additional taxes or penalties.

## 2. Rollover to Roth IRA

The taxable money you roll into a Roth option will be considered taxable income in the year in which it is rolled over. If you withdraw the money prior to age 59½, you will not be assessed any penalties or additional taxes unless you withdraw the money within five years of rolling it into your Roth option.

If you were **not the spouse** of the deceased SERS member, you have the option to roll over the money into an Inherited IRA plan.

The distribution rules of your IRA or other qualified plan may differ from the rules that apply to SERS. We cannot give you advice on which IRA or qualified plan is best for your individual situation. Please talk with a qualified tax advisor or financial planner.

Other options:

- **No Rollover**

If you do not roll the taxable money into an IRS or other qualified plan, the IRS requires us to withhold 20% of the taxable portion for federal income taxes. The full amount of taxes owed on the money that will be determined at the time you file your federal income tax return. If payment is made to an established trust or estate, no federal income tax will be withheld.

- **Self-Rollover**

If the money is distributed to you, the IRS requires that we withhold 20% for federal income taxes. The taxable amount is still eligible for a rollover, if you roll it into an IRA or other qualified plan within 60 days of receiving it. Your actual tax liability on the lump sum will be determined at the time you file your federal income tax return.