MICHIGAN OFFICE OF RETIREMENT SERVICES
Big Plans. Small Steps.
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DROP Account Distribution Request

For State Police Deferred Retirement Option Plan (DROP) Participants

MEMBER'S NAME (LAST, FIRST, M.I.)		MEMBER ID
MAILING ADDRESS	DAYTIME TELEPHONE ( )	DROP TERMINATION DATE
CITY, STATE, ZIP CODE	EMAIL ADDRESS	

Use this form to designate how the retirement system is to distribute your DROP account funds after your DROP period ends. If you choose to leave a balance in your account, you may use this form to request future distributions up to four times per calendar year. You may wish to speak with your tax advisor about any tax implications before you complete this form. The amount you request is the gross amount before tax withholdings.

Section I – Withdrawal Options

Circle the word "balance" in your withdrawal option if you want the balance of your account distributed.

☐ **1. Leave my balance on account.** I understand that my account will continue to earn 3% interest annually, compounded monthly. I will complete a new *DROP Account Distribution Request* when I wish to request a distribution.

☐ **2. Send me $ _____ or the balance of my account.** I understand that I can only receive a distribution from my DROP account up to a maximum of four times per year. (You may wish to consider a quarterly distribution.)

I understand the Internal Revenue Service (IRS) requires the Retirement System to withhold 20% of this amount and send it to the IRS as federal income tax withholding. If you wish to have more than 20% federal tax withheld, submit a *Withholding Certificate Form W-4R (R2035X)* to ORS with your completed *DROP Account Distribution Request (R0665H)*. If I am under 50 years of age, I may have to pay an additional 10% early withdrawal penalty. This distribution may be taxable under State of Michigan income tax law.

I understand this distribution may also increase my taxable income under the State of Michigan income tax law. If no box is selected below, the default of do not withhold Michigan income taxes will apply. I may then be responsible for paying these taxes directly to the State of Michigan.

Please ☐ do or ☐ do not withhold Michigan income taxes at the current tax rate for this payment made directly to me.

☐ **3. Transfer $ _____ or the balance of my account to the State of Michigan 401(k) Defined Contributions Plan that is currently managed by Voya Financial whose current address is: State of Michigan Plan Admin Attn: State of Michigan 401(k) and 457 Plans P.O. Box 990071 Hartford, CT 06199.** I understand that monies transferred into my Voya account will be invested according to my elections on file with Voya at the time of the transfer.

☐ **4. Transfer $ _____ or the balance of my account to another qualified retirement plan.**
Plans are not required to accept plan-to-plan transfers. Retiree **must obtain** the plan administrator's transfer acceptance signature and mailing address below when selecting this option.

Type of Plan: ☐ 401(k) ☐ Conduit or Rollover IRA ☐ 401(a) ☐ 403(b) ☐ Other

MAKE CHECK PAYABLE TO: (PLAN OR IRA NAME)		ACCOUNT NUMBER
ADDRESS	CITY, STATE, ZIP	
ACCEPTANCE SIGNATURE OF PLAN ADMINISTRATOR OR TRUSTEE	TELEPHONE NUMBER ( )	DATE

Section II – Certification and Signature

*By my signature below, I certify that I have terminated my Deferred Retirement Option Plan (DROP) participation and am eligible for a distribution of funds from my DROP account. I am aware that I may only receive up to a maximum of four distributions from my DROP account per calendar year. I am aware that any distribution may increase my taxable income for the year in which it is received. Once submitted, any distribution request is irrevocable. If I leave any funds in my DROP account, I understand I must withdraw **all** of my money no later than April 1 of the calendar year after I am 70 years, 6 months of age. If not withdrawn by then, the balance will automatically be paid out as a lump sum distribution after taxes.*

*SIGNATURE OF PARTICIPANT:*_____ *DATE:* _____

Section III – Distribution Information (to be completed by DTMB ORS and Financial Services)

BALANCE BEFORE DIST	-GROSS TAXABLE DIST TO MEM	-GROSS NON-TAXABLE DIST TO PLAN	=BALANCE AFTER DIST BEFORE INTEREST
FED TAXES WTHHLD (20%)	MI TAXES WTHHLD	DIST DATE	ORS PROCESSOR
NET DIST TO MEM	DOC/GAX3 NUM	WARRANT/CHECK NUM	FIN SRV PROCESSOR
NET DIST TO PLAN	DOC/GAX3 NUM	WARRANT/CHECK NUM	1099-R DIST CODE/1099-R CREATION DATE

Keep a copy of this form for your records and send your completed form to the address or fax number on the top of this form.