



# DIRECT CONVERSION REQUEST



The term IRA will be used below to mean Traditional IRA (including SEP and Rollover) and SIMPLE IRA, unless otherwise specified. This form is to be used by an IRA owner to convert current IRA assets to a Roth IRA. Refer to the attached Withholding Instructions for additional withholding information.

## ROTH IRA ACCOUNT HOLDER'S INFORMATION

Full Legal Name

SSN/ITIN/Tax ID (Required by the IRS)

Date of Birth (Optional)

## ACCEPTING ROTH IRA TRUSTEE OR CUSTODIAN

To be completed by the Roth IRA trustee or custodian receiving the assets.

Trustee/Custodian Name

Address Line 1

Address Line 2

City/State/Zip

## CURRENT IRA TRUSTEE OR CUSTODIAN

Trustee/Custodian Name

Address Line 1

Address Line 2

City/State/Zip

## ACCOUNT INFORMATION

Receiving Roth IRA Account No.

Delivering Traditional IRA Account No.

Choose Current IRA Account Type:

Traditional IRA (including SEP and Rollover)

## FEDERAL and STATE TAX WITHHOLDING – IRA Withdrawals

### Federal Withholding Election (Form W-4R/OMB 1545-0074)

Do not complete this section for a transfer to an identical IRA, recharacterization, or direct rollover to an eligible employer-sponsored retirement plan, or if you are a non-resident alien.

IRA distributions, including recurring, scheduled payments are generally considered nonperiodic payments. If you have any questions, it is recommended you seek guidance from a certified or accredited tax advisor.

If there is federal tax withholding, including the default rate or any rate other than 0%, certain states require state tax withholding.

If this is an annuitized payment from an individual retirement annuity, do not complete this section. Instead, complete IRS Form W-4P, Withholding Certificate for Periodic Pension or Annuity Payments, which may be found at [www.irs.gov](http://www.irs.gov).

## Federal Withholding

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% below. Generally, you can't choose less than 10% for payments to be delivered outside the United States and its possessions. (See the Withholding Instructions for more information.)

**Complete this section if you would like a rate of withholding that is different from the default withholding rate.**

See the instructions and the Marginal Rate Tables that follow for additional information. Enter the rate as a whole number (no decimals).

Withhold \_\_\_\_\_% (must be 0 – 100%)

## STATE INCOME TAX WITHHOLDING

(See STATE WITHHOLDING INSTRUCTIONS section for individual state requirements. If state mandatory minimum is not met request will be rejected)

<b>State Income Tax Withholding</b> (select one option)	Do <u>NOT</u> withhold State Income Tax from the Distribution (Not applicable to all states)
	Withhold _____ % from the amount of the Gross Distribution
	Withhold \$ _____ of State Income Tax from the Gross Distribution Amount

## DIRECT CONVERSION INSTRUCTIONS (for cash conversions please liquidate securities before requesting this conversion)

<b>Total Account Conversion</b> (select an option for handling current IRA)	Leave Current IRA Account Open
	This Conversion Will Close The Current IRA
<b>Partial Account Conversion</b> (select one option)	Cash Only
	Cash & Securities (enter both Cash Amount and complete <b>SHARES-IN-KIND</b> section below)
	Securities only (complete <b>SHARES-IN-KIND</b> section below)

**CASH AMOUNT** \$ \_\_\_\_\_

<b>SHARES-IN-KIND</b> (if converting all securities write 'All Securities' in the description field, and 'All Shares' in the # of Shares field)	Security/Asset Description	# of Shares to be Converted

## SIGNATURE

I authorize the conversion of these IRA assets and certify that all information provided by me is true and accurate. I understand that I am responsible for determining that this IRA conversion qualifies under the rules that apply to such conversions. I have received a copy of the Withholding Instructions (Form W-4R/OMB No. 1545-0074). No tax advice has been given to me by the trustee or custodian. All decisions regarding this conversion are my own and I expressly assume responsibility for any consequences that may arise from this conversion, and I agree that the trustee or custodian is not responsible for any consequences that may arise from executing this direct conversion.

The trustee or custodian signing below agrees to accept the assets being converted.

\_\_\_\_\_  
IRA Owner Signature

\_\_\_\_\_  
Date (mm/dd/yyyy)

\_\_\_\_\_  
Authorized Signature of Accepting Roth IRA Trustee or Custodian  
(not required if the assets will remain in an IRA for which Apex is custodian)

\_\_\_\_\_  
Date (mm/dd/yyyy)

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## **RULES AND CONDITIONS APPLICABLE TO DIRECT CONVERSIONS**

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You must supply all requested information for the conversion so the trustee or custodian can properly report the conversion.

If you have any questions regarding a conversion, please consult a competent tax professional or refer to IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*, for more information. This publication is available on the IRS website at [www.irs.gov](http://www.irs.gov) or by calling 1-800-TAX-FORM.

### **DIRECT CONVERSION FROM A TRADITIONAL IRA OR SIMPLE IRA**

**Required Minimum Distribution.** Distributions that represent required minimum distributions paid to an IRA owner or beneficiary may not be converted.

**SIMPLE IRA Restriction.** A conversion contribution may not be made from a SIMPLE IRA within two years of the first contribution to your SIMPLE IRA.

# WITHHOLDING INSTRUCTIONS (Form W-4R/OMB No. 1545-0074)

## 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 below 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.

**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 the Withholding Election section. 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 the Withholding Election section. 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 2024, 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 the Withholding Election section. See Pub. 3920, *Tax Relief for Victims of Terrorist Attacks*, for more details.

### 2024 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 the instructions 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%
14,600	10%	29,200	10%	21,900	10%
26,200	12%	52,400	12%	38,450	12%
61,750	22%	123,500	22%	85,000	22%
115,125	24%	230,250	24%	122,400	24%
206,550	32%	413,100	32%	213,850	32%
258,325	35%	516,650	35%	265,600	35%
623,950*	37%	760,400	37%	631,250	37%

\* If married filing separately, use \$380,200 instead for this 37% rate.

## Specific Instructions

### Withholding Election

**More withholding.** If you want more than the default rate withheld from your payment, you may enter a higher rate in the Withholding Election section.

**Less withholding (nonperiodic payments only).** If permitted, you may enter a lower rate in the Withholding Election section (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 above 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 the Withholding Election section. (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 the Withholding Election section. (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 in the Withholding Election section.

**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 \$62,000 without the payment. Step 1: Because your total income without the payment, \$62,000, is greater than \$61,750 but less than \$115,125, the corresponding rate is 22%. Step 2: Because your total income with the payment, \$82,000, is greater than \$61,750 but less than \$115,125, the corresponding rate is 22%. Because these two rates are the same, enter "22" in the Withholding Election section.

**Example 2.** You expect your total income to be \$43,700 without the payment. Step 1: Because your total income without the payment, \$43,700, is greater than \$26,200 but less than \$61,750, the corresponding rate is 12%. Step 2: Because your total income with the payment, \$63,700, is greater than \$61,750 but less than \$115,125, the corresponding rate is 22%. The two rates differ. \$18,050 of the \$20,000 payment is in the lower bracket (\$61,750 less your total income of \$43,700 without the payment), and \$1,950 is in the higher bracket (\$20,000 less the \$18,050 that is in the lower bracket). Multiply \$18,050 by 12% to get \$2,166. Multiply \$1,950 by 22% to get \$429. The sum of these two amounts is \$2,595. This is the estimated tax on your payment. This amount corresponds to 13% of the \$20,000 payment (\$2,595 divided by \$20,000). Enter "13" in the Withholding Election section.

**Privacy Act and Paperwork Reduction Act Notice.** The IRS asks 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. The IRS 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, the IRS would be happy to hear from you. See the instructions for your income tax return.

## STATE WITHHOLDING INSTRUCTIONS

Your state of residency will determine the minimum state withholding requirements that are attributable to any distributions taken from your IRA account. Each state has a different withholding option. The options listed in the 'Withholding Option' column in the 'State Requirements Table', are explained in the 'Withholding Option Definition' section below.

The 'Required Minimum' column in the 'State Requirements Table' lists the requirements applicable to your state of residency.

### WITHHOLDING OPTION DEFINITIONS

#### Withholding May Not Be Elected:

State withholding cannot be elected on the Cash Transfer API or on the Apex IRA Distribution/Conversion Forms.

#### Voluntary:

These states allow state withholding to be elected and will only be taken if you instruct us to do so. If state withholding has been elected on your distribution and your state requires a minimum percentage, as listed in the 'State Requirements Table', the withholding election must meet or exceed the minimum state requirement and must be entered as a percentage.

If your state is listed as 'No Minimum' in the 'State Requirements Table', then a percentage or dollar amount can be entered if state withholding is elected.

#### Mandatory:

These states require the minimum state withholding, listed in the 'State Requirements Table', on all distributions if the IRA owner has elected federal withholding. If the IRA owner waives federal withholding, they have two options:

- They may waive state withholding as well, or;
- They may still elect state withholding, provided it meets the minimum state withholding requirements listed in the 'State Requirements Table'.

#### Mandatory Opt Out:

These states require the minimum state withholding, listed in the 'State Requirements Table', on all distributions regardless of the IRA owner's federal withholding option. However, these states allow IRA owners to opt out of state withholding. Some states have certain criteria that must be met by the account owner. Apex is not validating whether an account owner meets all of the eligibility criteria. Each of these states provide a waiver, which is also listed in the 'State Requirements Table' in the 'Opt Out Form Required' column. The state specific form can only be submitted if you meet the criteria of the waiver, please submit this to Apex via Apex Service Center.

Mandatory Opt Out states will now include a designated waiver field (*hasStatewithholdingwaiver*). It is only necessary to complete this field when the account owner is electing to waive state withholding. In that case, the field must be set to 'TRUE'. If the account owner is electing the applicable required state minimum withholding or higher, omit the designated waiver field in the packet sent to the API.

### STATE REQUIREMENTS TABLE

State	Withholding Option	Required Minimum	Opt-Out Required (if applicable)
ALABAMA	Voluntary	No Minimum	
ALASKA	Withholding May Not Be Elected		
ARIZONA	Withholding May Not Be Elected		
ARKANSAS – IRA DISTRIBUTIONS	Mandatory Opt Out	3%	AR-4P
ARKANSAS – QRP DISTRIBUTIONS	Voluntary	5%	
CALIFORNIA*	Voluntary	10% of Fed	
COLORADO	Voluntary	4.40%	
CONNECTICUT	Mandatory Opt Out	6.99%	CT-W4P

DELAWARE - IRA DISTRIBUTION	Voluntary	No Minimum	
DELAWARE – QRP DISTRIBUTION	Mandatory	5%	
FLORIDA	<b>Withholding May Not Be Elected</b>		
GEORGIA*	Voluntary	5.75%	
HAWAII	<b>Withholding May Not Be Elected</b>		
IDAHO	Voluntary	5.80%	
ILLINOIS	Voluntary	4.95%	
INDIANA	Voluntary	No Minimum	
IOWA*	Mandatory Opt Out	5%	IA W-4P
KANSAS - IRA DISTRIBUTION	Voluntary	No Minimum	
KANSAS - QRP DISTRIBUTION	Mandatory	5%	
KENTUCKY	Voluntary	4%	
LOUISIANA	Voluntary	No Minimum	
MAINE	Mandatory	5%	
MARYLAND	Voluntary	No Minimum	
MASSACHUSETTS	Mandatory	5%	
MICHIGAN	Mandatory Opt Out	4.25%	MI-W4P
MINNESOTA*	Mandatory Opt Out	6.25%	W-4MNP
MISSISSIPPI	Voluntary	No Minimum	
MISSOURI	Voluntary	4.95%	
MONTANA	Voluntary	No Minimum	
NEBRASKA	Mandatory	5%	
NEVADA	<b>Withholding May Not Be Elected</b>		
NEW HAMPSHIRE	<b>Withholding May Not Be Elected</b>		
NEW JERSEY	Voluntary	No Minimum	
NEW MEXICO	Voluntary	No Minimum	
NEW YORK	<b>Withholding May Not Be Elected</b>		
NORTH CAROLINA	Mandatory Opt Out	4%	NC-4P

NORTH DAKOTA	Voluntary	No Minimum	
OHIO	Voluntary	No Minimum	
OKLAHOMA	Mandatory Opt Out	5%	OK-W-4-R
OREGON	Mandatory Opt Out	8%	OR-W-4
PENNSYLVANIA	<b>Withholding May Not Be Elected</b>		
RHODE ISLAND	Voluntary	No Minimum	
SOUTH CAROLINA	Voluntary	No Minimum	
SOUTH DAKOTA	<b>Withholding May Not Be Elected</b>		
TENNESSEE	<b>Withholding May Not Be Elected</b>		
TEXAS	<b>Withholding May Not Be Elected</b>		
UTAH*	Voluntary	4.65%	
VERMONT*	Mandatory	30% of Fed	
VIRGINIA	Voluntary	No Minimum	
WASHINGTON	<b>Withholding May Not Be Elected</b>		
WASHINGTON DC* (partial distributions only - see Special Requirements table for full account distributions)	Voluntary	No Minimum	
WEST VIRGINIA	Voluntary	No Minimum	
WISCONSIN	Voluntary	No Minimum	
WYOMING	<b>Withholding May Not Be Elected</b>		

*\*These states may have special withholding requirements or additional information to note. Please refer to the table below if applicable to your state of residency.*

### **SPECIAL REQUIREMENTS TABLE**

<b>STATE</b>	<b>Special Withholding Requirements</b>
CALIFORNIA	<p>Please calculate the dollar amount based on 10% of your federal withholding amount, rounded up to 2 decimal places.</p> <p>If you choose to waive federal withholding, you may still elect state withholding by entering a dollar amount or percentage of the gross amount with no minimum requirement.</p>
GEORGIA	<p>The minimum requirement of 5.75% is based on the highest withholding rate found in the Department of Revenue Employer's Tax Guide (<a href="https://dor.georgia.gov/employers-tax-guide">https://dor.georgia.gov/employers-tax-guide</a>). Any lower withholding rates shown on the Tax Guide cannot be supported.</p>



IOWA	<p>If the IRA owner attains 55 years of age by 12/31 in the year the distribution will be taken, the state withholding rate can be waived in the Cash Transfer API, without providing the IA W-4P. However, other exceptions will require the IA W-4P - Withholding Certificate for Pension or Annuity 44-020, completed and signed by the IRA owner. This must be submitted through Apex Service Center using the tile on your Okta dashboard.</p> <p><b>Note:</b> elections of additional dollar amounts on Form IA W-4P cannot be accommodated.</p>
MINNESOTA	<p>As of August 15, 2023, there is a new version of Form W-4MNP (<a href="https://www.revenue.state.mn.us">https://www.revenue.state.mn.us</a>), which has been updated to include distinct sections for both periodic and nonperiodic distributions. Starting January 1, 2024, the new version of Form W-4MNP must be used.</p>
UTAH	<p>The minimum requirement of 4.65% is based on the highest withholding rate found in Publication 14 (<a href="https://tax.utah.gov/">https://tax.utah.gov/</a>). Any lower withholding rates shown on the withholding tables cannot be supported.</p>
VERMONT	<p>Please calculate the dollar amount based on 30% of your federal withholding amount, rounded up to 2 decimal places.</p> <p>If you choose to waive federal withholding, you may still elect state withholding by entering a dollar amount or percentage of the gross amount with no minimum requirement.</p> <p>If federal withholding is required by the IRS, then state withholding is mandatory.</p>
WASHINGTON DC	<p>Washington DC allows Voluntary 'No Minimum' state withholding on partial distributions only. A mandatory 10.75% withholding rate must be elected for all total account distributions.</p>

For states that apply withholding on Qualified Retirement Plans (QRP) such as 401(k), Profit Sharing, and Money Purchase plans, please see the table below to identify what account types are considered QRPs.

<b>Retirement Plans</b>	<b>Qualified Retirement Plan (QRP)</b>
<b>APEX CUSTODY BENEFICIARY IRA</b>	No
<b>APEX CUSTODY BENEFICIARY ROTH IRA</b>	No
<b>APEX CUSTODY BENEFICIARY SIMPLE IRA</b>	No
<b>APEX CUSTODY COVERDELL ESA</b>	No
<b>APEX CUSTODY IRA</b>	No
<b>APEX CUSTODY SEP IRA</b>	No
<b>APEX CUSTODY ROLLOVER IRA</b>	No
<b>APEX CUSTODY ROTH IRA</b>	No
<b>APEX CUSTODY SIMPLE IRA</b>	No
<b>APEX CUSTODY BENEFICIARY MONEY PURCHASE PLAN</b>	Yes
<b>APEX CUSTODY BENEFICIARY PROFIT SHARING PLAN</b>	Yes
<b>APEX CUSTODY INDIVIDUAL 401K</b>	Yes
<b>APEX CUSTODY MONEY PURCHASE PLAN</b>	Yes
<b>APEX CUSTODY PROFIT SHARING PLAN</b>	Yes