

**TRADITIONAL IRA SELECTION OF SURVIVOR BENEFITS (FORM 2321T)**

Please Print or Type

CID# (Organization will complete.)

Financial Organization Name

Original IRA Owner's Social Security Number      IRA Suffix

Original IRA Owner's Name (First, Initial, Last)

Account Number

**BENEFICIARY INFORMATION**

Social Security or Federal Tax ID No.      Date of Birth (MM/DD/YYYY)

Name (First, Initial, Last)

\$  
Value of This Beneficiary's Benefits on IRA Owner's Date of Death  
( )

Street Address

Daytime Phone Number

City, State, ZIP

**PAYMENT ELECTION**

Instructions: See the summary of rules for a description of the options that are available to you and the deadlines for these options. Check only one of the following five numbered boxes. If you check box 1, 2, or 4, then also check a lettered box under the numbered box you check.

- 1. Lump Sum
  - a. Lump-sum payment now.
  - b. Lump-sum payment delayed until \_\_\_\_\_ (MM/YYYY).
- 2. Direct Transfer
  - a. Direct transfer into my IRA now.
  - b. Direct transfer into my IRA, delayed until \_\_\_\_\_ (MM/YYYY).
- 3. Direct transfer the funds into an IRA in the deceased owner's name at another financial institution. I have confirmed that the other institution will accept this type of direct transfer.

- 4. Periodic Payments
  - a. Payments over the life expectancy of the deceased owner.
  - b. Payments over five years. The final payment must occur by December 31 of the fifth year after the death.
  - c. Payments over \_\_\_\_\_ years, not to exceed life expectancy.
  - d. Payments over my life expectancy, recalculated each year.
  - e. Payments over oldest designated beneficiary's life expectancy.
  - f. Payments over my life expectancy, not recalculated each year.
  - g. Payments of \$ \_\_\_\_\_ per payment, or my RMD, whichever is more.

If you checked Box 2 or 3, provide the receiving account information below (if you checked Box 2 and the receiving account is at the financial organization, write "Internal to" and the account number).

Delayed periodic payments. Payments under option 4 normally start in the year after death. If you are the owner's surviving spouse and the owner died in the 68½ year or earlier, you may delay the start of periodic payments until the year in which the owner would have attained age 70½.

Delay the start of payments until \_\_\_\_\_ (YYYY).

Institution Receiving the Funds

If you checked Box 4, select a frequency and circle the starting month for your payments.

Account Number

- 1. Annually       3. Quarterly
- 2. Semiannually       4. Monthly

Address

JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC

City, State, ZIP

- 5. I will be responsible for determining and receiving the RMD for this IRA each year.

**PAYMENT METHOD**

- Check only one:
- 1. I want to receive payments by check/share draft.
  - 2. Deposit payments directly into my account at the financial organization. Account # \_\_\_\_\_
  - 3. DIRECT TRANSFER - Send this payment directly to the receiving institution named above.

**FEDERAL WITHHOLDING ELECTION - Complete an IRA State Income Tax Withholding Election (Form 2312) if applicable.**

If you elected option 1 (Lump Sum) or option 4 (Periodic Payments) you must make a withholding election. Check only one.

- 1. Withhold 10% federal income tax from my payment(s).
- 2. Do not withhold federal income tax from my payment(s).
- 3. Withhold \_\_\_\_\_% federal income tax from my payment(s) (must be greater than 10%).

**BENEFICIARY'S SIGNATURE**

I have received a copy of the Withholding Notice.

**X**

Beneficiary's Signature

Date (MM/DD/YYYY)

**WITHHOLDING NOTICE**

Payments from your IRA are subject to federal income tax withholding, unless you elect no withholding. You may change your withholding election at any time prior to your receipt of a payment. Your withholding election does not affect the amount of income tax you pay. You may incur penalties under the estimated tax rules if your withholding and estimated tax payments are insufficient. Withholding from IRA payments, when combined with other withholding, MAY relieve you from payment of estimated income taxes.

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2321 (Doc Code 21)  
(Rev. 6/2013)

# SUMMARY OF RULES AFFECTING THIS FORM

## INTRODUCTION

Listed below are all of the payment options available to a beneficiary who has a separate account by September 30 of the calendar year after the IRA owner's death. A beneficiary has a separate account either by being the only beneficiary of the IRA on this date, or by the financial organization segregating the beneficiary's portion of the IRA in a subaccount for the beneficiary by this date.

## OPTIONS FOR IRA OWNER'S SPOUSE

**Owner died before April 1 of 71½ year.** If the IRA owner died before April 1 of his or her 71½ year (the calendar year in which the owner reaches age 71½), then the spouse has the following options:

**1.a. Lump-sum payment now.**

**1.b. Lump-sum payment delayed** until the month and year you write on the line at 1.b. The deadline for this payment is the later of December 31 of the fifth calendar year after the owner's death or December 31 of the year in which the owner would have attained age 70½.

**2.a. Direct transfer** to the spouse's own traditional IRA now.

**2.b. Direct transfer** to the spouse's own traditional IRA delayed until the month and year you write on the line at 2.b. The deadline for this direct transfer is the later of December 31 of the fifth calendar year after the owner's death or December 31 of the year in which the owner would have attained age 70½.

**3. Direct transfer** to an IRA in the deceased owner's name, for the benefit of this beneficiary.

**4.b. Periodic payments over five years.**

**4.c, 4.d, or 4.g. Periodic payments** starting in the year after the owner's death.

**Delayed periodic payments.** If the IRA owner died during his or her 68½ year or in an earlier year, the spouse can delay periodic payments until the year the owner would have reached age 70½. Write the year in which you want payments to begin on the line in the "Delayed periodic payments" section.

**Owner died on or after April 1 of 71½ year.** If the IRA owner died on or after April 1 of his or her 71½ year (the calendar year in which the owner reaches age 71½), then the spouse has the following options:

**1.a. Lump-sum payment now.**

**2.a. Direct transfer** to the spouse's own traditional IRA now.

**3. Direct transfer** to an IRA in the deceased owner's name, for the benefit of this beneficiary.

**4.a, 4.c, 4.d, or 4.g. Periodic payments** starting in the year after the owner's death.

## QUALIFIED TRUST

**Qualified trust for spouse.** The direct transfer option is NOT available to a trust. A qualified trust has all of the other options available to the spouse if two conditions are met: (a) the trustee files the Qualified Trust Certification Form with the financial organization by October 31 of the year after the IRA owner's death, and (b) the trust is for the sole benefit of the spouse (the trustee completes the sole benefit certification near the bottom of the Qualified Trust Certification Form). If only the first condition is met, then the trust has the options described in the next paragraph.

**Other qualified trusts.** Except as described in the previous paragraph, if the trustee files the Qualified Trust Certification Form with the financial organization by October 31 of the year after the IRA owner's death, then the trustee can generally choose from those options that would have been available to a human beneficiary. The exception is that the trustee can choose option 4.e rather than option 4.d.

## OPTIONS FOR NON-SPOUSE BENEFICIARIES

**Owner died before April 1 of 71½ year.** If the IRA owner died before April 1 of his or her 71½ year (the calendar year in which the owner reaches age 71½), then a human non-spouse beneficiary has the following options:

**1.a. Lump-sum payment now.**

**1.b. Lump-sum payment delayed** until the month and year you write on the line at 1.b. The deadline for this payment is December 31 of the fifth year after the owner's death.

**3. Direct transfer** to an IRA in the deceased owner's name, for the benefit of this beneficiary.

**4.b. Periodic payments over five years.**

**4.c, 4.f, or 4.g. Periodic payments** starting in the year after the owner's death.

**Owner died on or after April 1 of 71½ year.** If the IRA owner died on or after April 1 of his or her 71½ year, then a human non-spouse beneficiary has the following options:

**1.a. Lump-sum payment now.**

**3. Direct transfer** to an IRA in the deceased owner's name, for the benefit of this beneficiary.

**4.a, 4.c, 4.f, or 4.g. Periodic payments** starting in the year after the owner's death.

## OPTIONS FOR NON-HUMAN BENEFICIARIES

**Death before April 1 of 71½ year.** If the IRA owner died before April 1 of his or her 71½ year (the calendar year in which the owner reaches age 71½), then a non-human beneficiary has the following options:

**1.a. Lump-sum payment now.**

**1.b. Lump-sum payment delayed** until the month and year you write on the line at 1.b. The deadline for this payment is December 31 of the fifth year after the owner's death.

**3. Direct transfer** to an IRA in the deceased owner's name, for the benefit of this beneficiary.

**4.b. Periodic payments over five years.**

**4.a, 4.c, or 4.g. Periodic payments** starting in the year after the owner's death.

**Owner died on or after April 1 of 71½ year.** If the IRA owner died on or after April 1 of his or her 71½ year, then a non-human beneficiary has the following options:

**1.a. Lump-sum payment now.**

**3. Direct transfer** to an IRA in the deceased owner's name, for the benefit of this beneficiary.

**4.a, 4.c, or 4.g. Periodic payments** starting in the year after the owner's death.

## COMPUTATION OF PERIODIC PAYMENTS

Periodic payments under options 4.a through 4.f are computed by dividing the adjusted balance of your interest in the IRA at the end of the previous year by the applicable distribution period. The applicable distribution period used to compute your periodic payments is determined by the option you select (only some of these options are available to you):

**Under 4.a,** the distribution period for the year after death is the owner's life expectancy in the year of death, minus one year.

**Under 4.b,** the distribution period for the year after death is five years.

**Under 4.c,** you specify the distribution period on the blank line. This is the distribution period for the year after death unless the longest available life expectancy to compute required minimum distributions is shorter, in which case that life expectancy is used.

**Under 4.e,** the distribution period for the year after death is the life expectancy of the oldest beneficiary of the qualified trust that year.

**Under 4.f,** the distribution period for the year after death is your life expectancy that year.

For each of the above periodic payment options, one year is subtracted each year to compute the distribution period for subsequent years. For example, under option 4.b the distribution period for the second year after death is four years, and for the third year after death it is three years.

**Under option 4.d** (which is only available to the owner's spouse), the distribution period for each year in which payments are made is the spouse's life expectancy in that year.