



### WHAT YOU NEED TO KNOW

This form can be used to change (or recharacterize) a previous contribution to a Roth IRA or Traditional IRA as having been made to the other type of IRA, up to applicable limits. It's important to know that net income (or loss) attributable must be calculated, and indicated on Line 7 of the worksheet on Page 3. Recharacterizations may be tax-reportable, so we recommend seeking guidance from your financial or tax advisor before taking this action.

#### When to use this form

Fill out this form if you are certain that you want to recharacterize a previous contribution to a Roth IRA as having been made to a Traditional IRA, or if you want to recharacterize a previous contribution to a Traditional IRA as having been made to a Roth IRA. You may use one form to recharacterize all contributions that were made consecutively. If you want to recharacterize multiple contributions that were made on different days, fill out a separate form to recharacterize each amount that was contributed on a different day.

#### Where to send this form

Once the form is complete, send it to us via fax to **1-800-542-0779** or via mail to **American Express National Bank, PO Box 30376, Salt Lake City, UT 84130**.

### IMPORTANT TERMS YOU SHOULD KNOW

**Fair Market Value.** The value of the account on the date indicated.

**IRA Custodian.** A financial institution that holds your IRA funds for safekeeping and adheres to applicable IRS and government regulations.

**Net Income Attributable.** Earnings (or losses) in your IRA account for the period of time the contribution was on deposit.

**Present IRA.** The IRA that currently holds the funds you want to recharacterize.

**Receiving IRA.** The IRA to which we should transfer the recharacterized funds.

**Regular Contribution.** The annual contribution you're allowed to make to a Traditional or Roth IRA.

**Roth IRA.** A way to save for retirement, with non-tax-deductible contributions. Earnings are tax-deferred while accumulating in the plan and, if certain requirements are satisfied, distributions (including earnings) are tax-free.

**Traditional IRA.** A traditional IRA is a way to save for retirement with tax advantages. Traditional IRA contributions (deposits) may be tax-deductible, and the earnings are tax-deferred while accumulating in the plan; however, they are taxable when distributed (withdrawn).

## AENB IRA OWNER INFORMATION

Name of Account Owner

 /  /    

Date of Birth

              

AENB Account Number

 X X X - X X -    

Last 4 Digits of Social Security Number

Street Address

City

State

Zip/Postal Code

   -    -    

Daytime Phone Number

## RECHARACTERIZATION AUTHORIZATION TO CURRENT IRA CUSTODIAN

### I am electing to recharacterize

- All      Close the account  
 A portion

of my IRA contribution to the present IRA as a contribution to the receiving IRA, on the same date and for the same tax year, for federal tax purposes. To effect this recharacterization, I hereby direct the transfer of the amount specified below, plus the net income attributable to such contribution, from my current IRA to the receiving IRA. I understand that my decision to recharacterize all or a portion of my IRA contribution is irrevocable after the transfer.

## CURRENT IRA CUSTODIAN

### What type of IRA do you have at your current Custodian that should be recharacterized?

- Traditional  
 Roth

Name of Financial Institution

**(Note: If this is an IRA at AENB, you only need to fill in the account number. You're not required to fill in the address fields.)**

Financial Institution Street Address

City

State

Zip/Postal Code

              

Account Number

**What type of contribution should be recharacterized?**

- Regular
- Catch-Up
- Return of Excess

**Contribution Date**

**Contribution Tax Year**

**Amount of Contribution**

/   /

**HOW TO CALCULATE NET INCOME ATTRIBUTABLE**

**We recommend seeking guidance from your financial or tax advisor before calculating your net income attributable**

1. Enter the date on which the contribution was made. If you are recharacterizing a series of consecutive contributions, enter the date of the first contribution in the series.   /   /      
Line 1

2. Enter the amount of the contribution to be recharacterized.   
Line 2

3. Enter the fair market value of the present IRA today, plus any distributions or transfers out of this IRA on or after the date on line 1.   
Line 3

4. Enter the fair market value of the present IRA immediately before the date on line 1, plus all contributions or transfers to this IRA on or after that date.   
Line 4

5. Subtract line 4 from line 3.   
Line 5

6. Divide line 5 by line 4 and enter as a decimal (e.g., .0123).   
Line 6

7. Multiply line 2 by line 6. This is the Net Attributable Income (profit or loss) to the contribution amount being recharacterized. Enter this amount in the "Net Income Attributable to Amount" line in the next section.   
Line 7

**RECEIVING IRA CUSTODIAN**

**What type of IRA is receiving the contribution?**

- Traditional
- Roth

Name of Financial Institution

(Note: If this is an IRA at AENB, you only need to fill in the account number. You're not required to fill in the address fields.)

Financial Institution Street Address

City

State

Zip/Postal Code

Account Number

**Amount to Be Recharacterized**

**Net Income Attributable to Amount (see line 7 in section above)**

**ACCEPTANCE BY RECEIVING IRA CUSTODIAN**

American Express National Bank (AENB), IRA Custodian, agrees to accept the recharacterized funds and deposit them into an IRS-approved IRA, subject to the Terms and Conditions of the Consumer Deposit Account Agreement and Savings Schedules.



Vice President  
AENB Receiving Custodian

**IRA OWNER SIGNATURE**

I certify that, to the best of my knowledge, the information provided on this form is true and correct and maybe relied on by the Custodian. I understand that this transaction may be subject to fees, taxes, and/or penalties. I agree to seek the advice of a legal or tax professional as needed. I acknowledge that I can't revoke this recharacterization once it's processed. The Custodian has not provided me with any legal or tax advice and I will not hold the Custodian liable for any adverse consequences that may result from this transaction.

\_\_\_\_\_  
Signature of IRA Owner (ink only)

\_\_\_\_\_  
Date

**What to do next**

**PLEASE SUBMIT COMPLETED FORM VIA FAX OR MAIL TO:**

**Fax: 1-800-542-0779**

**Mail: American Express National Bank, PO Box 30376, Salt Lake City, UT 84130**

Once we receive this form at AENB, it will be processed within 5 business days as long as all the information in the form is error free, and the account is in good status. (e.g. The Application to Participate must be on file if you opened your account over the phone. There must not be any restrictions on the account.)

**Have questions?**

Call us 24/7 at 1-800-446-6307.

## General Instructions

**Purpose of form.** Complete this form to have the payer withhold the correct amount of federal income tax from your nonperiodic payment from an individual retirement arrangement (IRA). 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 an IRA annuity. 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 IRA. Submit a new form 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 or Change of Election section on this form. 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 or Change of Election section on this form. 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 possessions.

**Note:** If you don't give this form 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 2022, your current withholding election (or your default rate) remains in effect unless you submit a new form.

**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.

## Specific Instructions

For an estate, enter the estate's employer identification number (EIN) in the area reserved for “Social security number.”

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

**Less withholding (nonperiodic payments only).** If permitted,

you may enter a lower rate (including “-0-”) in the Withholding Election or Change of Election section on this form 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 on page 3 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 or Change of Election section on this form. (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 or Change of Election section on this form. (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 or Change of Election section on this form.

**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 \$60,000 without the payment. Step 1: Because your total income without the payment, \$60,000, is greater than \$54,725 but less than \$102,025, the corresponding rate is 22%. Step 2: Because your

**Withholding Certificate for  
 IRA Distributions**

total income with the payment, \$80,000, is greater than \$54,725 but less than \$102,025, the corresponding rate is 22%. Because these two rates are the same, enter "22" in the Withholding Election or Change of Election section on this form.

**Example 2.** You expect your total income to be \$42,500 without the payment. Step 1: Because your total income without the payment, \$42,500, is greater than \$23,225 but less than \$54,725, the corresponding rate is 12%. Step 2: Because your total income with the payment, \$62,500, is greater than \$54,725 but less than \$102,025, the corresponding rate is 22%. The two rates differ. \$12,225 of the \$20,000 payment is in the lower bracket (\$54,725 less your total income of \$42,500 without the payment), and \$7,775 is in the higher bracket (\$20,000 less the \$12,225 that is in the lower bracket). Multiply \$12,225 by 12% to get \$1,467. Multiply \$7,775 by 22% to get \$1,710.50. The sum of these two amounts is \$3,177.50. This is the estimated tax on your payment. This amount corresponds to 15.9% of the \$20,000 payment (\$3,177.50 divided by \$20,000). Rounding up to the next whole number, enter "16" in the Withholding Election or Change of Election section on this form.

**Privacy Act and Paperwork Reduction Act Notice.** We ask 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); (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). 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 possessions for use in administering their tax laws. We 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.

**2022 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 pages 2 and 3 for more information on how to use this table.

Single or Married filing separately		Married filing jointly or Qualifying widow(er)		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%
12,950	10%	25,900	10%	19,400	10%
23,225	12%	46,450	12%	34,050	12%
54,725	22%	109,450	22%	75,300	22%
102,025	24%	204,050	24%	108,450	24%
183,000	32%	366,000	32%	189,450	32%
228,900	35%	457,800	35%	235,350	35%
552,850*	37%	673,750	37%	559,300	37%

\*If married filing separately, use \$336,875 instead for this 37% rate.