

**OKLAHOMA POLICE PENSION AND RETIREMENT SYSTEM
LETTER TO PERSONAL REPRESENTATIVE OF ESTATE**

Dear Personal Representative of an Estate:

The IRS has tax regulations for distributions from plans like our Oklahoma Police Pension and Retirement System (“System”). This letter provides a description of the type of payment that may be made to an estate from the System, and provides a brief description of tax consequences and withholding requirements. The attached form must be completed by you in order for the estate to receive a distribution from the System.

A distribution of the following benefits from the System is generally taxable and withholding rules apply. Ten percent (10%) of the taxable portion of the distribution to the estate will be withheld for federal taxes and five percent (5%) of the taxable portion of the distribution to the estate will be withheld for state taxes unless the personal representative of the estate elects no withholding. This means the estate will receive 85% of the taxable portion of the distribution assuming taxes are withheld. However, the personal representative of the estate cannot elect to have no taxes withheld on the distribution if the payment is delivered outside of the U.S. or its possessions.

If the personal representative of the estate elects not to have any taxes withheld, the beneficiary of the estate will still owe taxes on the taxable portion of the distribution. The beneficiary of the estate also may be subject to tax penalties under the estimated tax payment rules if the payments of estimated tax and withholding, if any, are not adequate.

- **\$5,000 Death Benefit**
- **Payment of a Monthly Benefit Due in the Month in Which the Member Died**
- **Deferred Option Plan Account Balance**
- **Refund of Contributions (if applicable)**

The refund of a member’s contributions to the estate from the System is taxable to the extent that contributions were made after December 31, 1988. The refund is not taxable to the extent that contributions were made before January 1, 1989.

Seek the Advice of a Competent Professional Tax Advisor

Before receiving a refund from the System, we strongly encourage you to seek the advice of a competent professional tax advisor.

**OKLAHOMA POLICE PENSION AND RETIREMENT SYSTEM
NOTICE OF SELECTED DISTRIBUTION FOR PAYMENT TO AN ESTATE**

A distribution from the Oklahoma Police Pension and Retirement System (the "System") has certain tax consequences. While the System has been approved by the Internal Revenue Service ("IRS") as a qualified plan in form under Internal Revenue Code Section 401(a), this approval in no way addresses the tax consequences of a distribution from the System to the estate.

The System, the Oklahoma Police Pension and Retirement Board ("Board") and the participating employers are not responsible for any tax consequences to the estate, or beneficiaries of the estate, that result from the estate receiving a distribution from the System. We strongly recommend that the personal representative and the beneficiaries of the estate who receive a distribution seek the advice of a competent professional tax advisor regarding the potential adverse tax consequences of the distribution.

DECEASED MEMBER INFORMATION

Deceased Member

City of Membership

Social Security Number

1. **PAYMENT TO THE PERSONAL REPRESENTATIVE OR AFFIANT OF HEIRSHIP OF THE ESTATE**

Please indicate whether federal tax should be withheld. (Check One)

- Ten percent (10%) federal tax to be withheld
 No federal tax to be withheld at time of disbursement

Please indicate whether state tax should be withheld. (Check One)

- Five percent (5%) state tax to be withheld
 No state tax to be withheld at time of disbursement

APPLICANT SIGNATURE

Applicant's Signature (To be Witnessed by Notary)

Date

Print Name

Telephone Number

Mailing Address

City, State and Zip

NOTARY'S SIGNATURE

STATE OF _____

COUNTY OF _____

Signed and attested before me on _____ By _____

Notary Public _____ Notary Number _____

[SEAL]

My Commission expires: _____