

# Removal-of-Excess Form



Traditional, Roth, SEP, Simple IRA, and Coverdell ESA

## Return Options:

Electronically via Message Center:

Log in and go to Client Services > Message Center to attach the file

Regular Mail:

PO Box 2760, Omaha, NE 68103-2760

Overnight Mail:

200 South 108th Avenue  
Omaha, NE 68154-2631

Fax: 866-468-6268

This form is used to remove an ineligible, unwanted, accidental, or disallowed deposit from a Retirement or Coverdell account.

Questions? Call an IRA representative at 888-723-8504, option 2.

# 1

## Account Owner Information

Account Number:

Full Legal Name:

Date of Birth:

U.S. Social Security Number (SSN):

Address of Record:

City:  State:  Zip Code:

Primary Phone:

Email Address:

# 2

## Excess Distribution Information

Any ineligible transfer, rollover, or Simplified Employee Pension (SEP) deposits will be reported as a current-year contribution. TD Ameritrade Clearing, Inc. will report the excess contribution on IRS Form 5498. In January following this calendar year, TD Ameritrade Clearing, Inc. will send a 1099-R reflecting this removal of excess. **Please note:** TD Ameritrade, Inc. and TD Ameritrade Clearing, Inc. do not give tax advice. Please contact a tax advisor before making an election.

**Amount of excess to be removed** (this is the principal amount):

This **must** be indicated as a dollar amount. Please list the assets you wish to satisfy the calculated amount in section 4.

\$

**Date of contribution which put you in excess** (MM-DD-YYYY):

(If the excess amount you wish to remove accrued over more than one calendar year, you will need to submit a form for each year affected)

**Remove excess for tax year:**



**Please choose from the options below** (If you make no election, TD Ameritrade will calculate earnings for you and your excess amount will be adjusted accordingly. Please see IRS Publication 590 for further information on this calculation.):

**TD Ameritrade calculates earnings**

The excess is being removed prior to the tax-filing deadline, including extensions. Earnings on your deposit will be calculated and removed. These earnings are taxable in the year in which the excess is distributed and possibly subject to penalty. You may have to file IRS Form 5329 to report an applicable penalty.

(Calculation of Net Income Attributable [NIA]: Per IRA Final Regulations [Treas. Reg. 1.408-11], your excess amount will be adjusted by any earnings or losses that may apply to the pro-rata portion of the total account earnings attributed to the time span between the date of the initial contribution and the date of the removal.)

Please note that as long as you filed your taxes in a timely manner, you can still have the NIA calculated up to October 15 of the year following the excess contribution to avoid the 6% excise penalty.

**Client calculates earnings**

Removal of excess Contribution plus or minus Net Income Attributable (NIA) before tax-filing deadline (including extensions).

I have calculated my own NIA and declare:

Earnings  Loss of \$ \_\_\_\_\_.

(If this option is chosen and the earnings amount is left blank, 0 (zero) earnings or loss is implied.)

Net excess amount to be removed (contribution amount plus earnings or minus loss): \$ \_\_\_\_\_.

**After-tax filing including extensions, earnings not calculated:**

Removal of excess after tax filing. Amount of excess: \$ \_\_\_\_\_. The excess is being removed after the tax-filing deadline and a 6% penalty on the excess will apply. TD Ameritrade Clearing, Inc. will not calculate earnings on the excess. You may be required to file an amended tax return.

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**Other Firm**

**Please note:** If the excess contribution was performed at another institution, please complete this section below. Otherwise, continue to Section 4.

If the entire account at the other firm was not transferred to TD Ameritrade, per IRS regulations, the net income attributable calculation may not be done on the TD Ameritrade account and must be processed on the account to which the excess was originally deposited. Please contact the previous firm for further instructions.

Name of previous firm: \_\_\_\_\_

Date of contribution (MM-DD-YYYY):

-  -

Amount of contribution:

\$ \_\_\_\_\_

Account value on the day **prior** to contribution:

\$ \_\_\_\_\_

Prior to transferring to TD Ameritrade, at any previous institution, list every distribution/recharacterization since the contribution.

Prior to transferring to TD Ameritrade, at any previous institution, list every distribution/recharacterization since the contribution.

Date (MM-DD-YYYY)	Amount	Date (MM-DD-YYYY)	Amount
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Please attach an additional page if needed.

**Distribution amount may be adjusted to meet the amount indicated in Section 2.**

TD Ameritrade Clearing, Inc. will rely on the data you provide and will not assume responsibility for the accuracy of the information provided.

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## Asset Selection

The removal of excess, plus any attributable gains, can be made with cash and/or securities. You may make preferences below, but actual amounts distributed may vary depending on required calculations. The value of the securities will be determined by the previous day's closing price. If no preferences are indicated, or if those made are insufficient to meet the calculated amount, additional cash and/or securities will automatically be included in the distribution.

**Please list cash and/or securities in order of preference. If no assets are indicated and cash is available we will default to using cash to satisfy the calculated removal of excess amount.**

Symbol/Asset Description	Requested Quantity	Symbol/Asset Description	Requested Quantity
1. _____	_____	5. _____	_____
2. _____	_____	6. _____	_____
3. _____	_____	7. _____	_____
4. _____	_____	8. _____	_____

Please attach an additional sheet if more space is needed.

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## Distribution Method

I instruct TD Ameritrade Clearing, Inc. to distribute the amount stated in the following manner:

**Make this payment to (please select one of the following options—if nothing is selected, your distribution will be mailed to the address listed on your account):**

**Deposit excess amount of \$** \_\_\_\_\_ **as a tax year** \_\_\_\_\_ **contribution to IRA account number**  (if you are re-contributing your excess, the entire amount must be available in cash).

**To my receiving TD Ameritrade non-retirement account number:**

**Mail (select all that apply)**

Check and/or

Stock Certificate (Many stocks are not eligible to be issued in certificate form and fees may apply. Allow 4-6 weeks for delivery.)

Delivery Method:  U.S. First-Class Mail  Overnight at my expense

Address on Record \_\_\_\_\_

Alternate Address

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP Code:  -

Alternate Payee

Name: \_\_\_\_\_

**Wire (at my expense)**

Name on Bank Account: \_\_\_\_\_ Bank Name: \_\_\_\_\_

Bank Address: \_\_\_\_\_ Phone: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP Code: \_\_\_\_\_

ABA/Routing Number: \_\_\_\_\_ Bank Account Number: \_\_\_\_\_

Please attach letter of instruction for two banks, brokerage, and escrow wires to ensure we have all the information needed to process your request. For International Wires, please attach the Wire Request (International) form to your IRA Distribution form to ensure all required information is included to complete your request. This form can be located at [tdameritrade.com](http://tdameritrade.com).

**Electronic (ACH) to my Checking or Savings \*must have previously established connection with this bank via the website\***

For previously set up ACH Bank, enter the nickname assigned to the setup or last 4 of the bank account number: \_\_\_\_\_

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## Tax Withholding Election (Required)

### Federal Withholding Election

Form W-4P/OMB NO. 1545-0074

**If this election is not completed, IRS regulations require federal income tax to be withheld at a rate of 10% from the earning portion of the calculated distribution amount.**

If there are no earnings on the calculated amounts, and no withholding election is made, no withholding will be taken. You may elect not to have withholding apply to your withdrawal payments by completing and dating this election and returning it to TD Ameritrade Clearing Inc.,

- I elect **NOT** to have federal income tax withheld.
- Please withhold taxes from my distribution at a rate of 10%.
- Please withhold taxes from my distribution at a rate of: \_\_\_\_\_% or \$ \_\_\_\_\_ (not less than 10% of total distribution).

If you elect not to have withholding apply to your withdrawal payments, or if you do not have enough federal income tax withheld from your withdrawal, you may be responsible for payment of estimated tax. You may incur penalties under the estimated tax rules if your withholding and estimated tax payments are not sufficient. Even if you elect not to have federal income tax withheld, you are liable for payment of federal income tax on the taxable portion of your withdrawal. You may also be subject to tax penalties under the estimated tax payment rules if your payments of estimated tax and withholding, if any, are not adequate.

### State Withholding Election

In some cases, you may elect not to have state tax withheld, or you may tell us how much you would like us to withhold. In other cases, TD Ameritrade Clearing, Inc. is required by federal and/or state statutes to withhold a percentage of your IRA distribution for income tax purposes.

**If you do not make an election, we will automatically apply withholding (if required) at the minimum rate based on your state of residency.** For your reference, we have posted state withholding guidelines at [tdameritrade.com/withholding.html](http://tdameritrade.com/withholding.html).

I declare my permanent state of residence is (state) \_\_\_\_\_, and that my election should reflect the requirements of that state.

**If a permanent state of residence is not noted, we will default to the state on record.**

Please make your election below:

- I elect **NOT** to have state income tax withheld.
- Please withhold taxes from my distribution at a rate of: \_\_\_\_\_% or \$ \_\_\_\_\_.

**Please note:** TD Ameritrade Inc., advises you to contact your tax professional before making any election regarding state withholding elections. State law is subject to change and TD Ameritrade Clearing, Inc. is not responsible for changes in state law that occur after the publication date of this form.

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## Signature

I understand that, subject to the provisions of the Agreement, I have full discretion and control over the form of payment or payments of the entire balance in the Account. I shall exercise control by directing that such payment or payments be made as described above, and the Custodian shall have no responsibility or liability with respect to the choice of any such form of payment or payments. I attest that I am the proper party to receive payment or payments from this IRA and that all information provided by me on this form, including supplemental material, is true and accurate. I certify that no tax advice has been given to me by TD Ameritrade, Inc. or TD Ameritrade Clearing, Inc., and that all decisions regarding this withdrawal are my own. I expressly assume the responsibility for any adverse consequences which may result from the withdrawal; and I indemnify and hold harmless TD Ameritrade, Inc. and TD Ameritrade Clearing, Inc., their divisions, officers, employees, directors, representatives, owners, affiliates, successors, and assigns.

Account Owner's Signature:

**Sign Here**

X

Date:

-  -

*Original signature required; electronic signatures and/or signature fonts are not authorized.*

Investment Products: Not FDIC Insured \* No Bank Guarantee \* May Lose Value

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