Navy Federal®
Roth IRA Conversion

▸ **Fax Number:** (703) 206-4250 ▸ **Toll-Free Number:** (888) 842-6328
▸ **Mail:** PO Box 3001, Merrifield, VA 22119-3001

Access No.

The term "IRA" will be used below to mean Traditional IRA or SEP IRA, unless otherwise specified. **Information: This form will be used to initiate the conversion of IRA funds from a Traditional or SEP IRA to a Roth IRA. If you do not have an existing Roth IRA Plan, a Navy Federal Roth IRA Simplifier Application must be completed.**

A. Member Information

Name: First	MI	Last	Suffix
Current Home Address: Street	City	State	Zip Code

Social Security No. *(ITIN)*	Date of Birth *(MM/DD/YY)*	Home Phone No.	Office Phone No.

B. IRA to Roth Conversion *(For an eligible conversion, all questions must be answered "No.")*

1. **Timeliness - 60 Days**
Have more than 60 days elapsed since you received the distribution from the distributing IRA? ☐ Yes ☐ No
2. **70½ Rollover Restriction**
If you are age 70½ or older in this calendar year, does the conversion deposit contain any amounts that constitute a required minimum distribution from the distributing plan? ☐ Yes ☐ No
3. **Reconversion Restriction**
If this is a reconversion of a prior year conversion, is it within the same taxable year of the prior conversion or, if later, within 30 days of recharacterizing the prior conversion? ☐ Yes ☐ No

Note: If converting from a Traditional IRA to a Roth IRA and both are at Navy Federal, funds will be converted directly.
Directly convert: ☐ all ☐ part of my Navy Federal Traditional IRA balance to my Navy Federal Roth IRA in the manner listed below.

Please open a(n):

☐ IRA Savings Account
☐ IRA MMSA
☐ IRA Jumbo MMSA
☐ $100 Min. IRA EasyStart℠ *(12 months)*
☐ $500 Min. Variable Cert. *(3 years)*
☐ Other ____________________________

Or choose an IRA Certificate minimum and term:

Minimum:
☐ $1,000 min. ☐ $10,000 min. ☐ $20,000 min. ☐ $50,000 min. ☐ $100,000 min.

Short Term:
☐ 3 months ☐ 6 months ☐ 9 months ☐ 12 months ☐ 18 months ☐ 24 months

Long Term:
☐ 3 years ☐ 4 years ☐ 5 years ☐ 6 years ☐ 7 years

C. Withholding Election *(Form W-4P/OMB No. 1545-0074)*

See Page 2 of this form for the withholding notice information. If you are a non-resident alien, do not complete this section.

Select One:

☐ No Withholding: I do not want any federal or state (VA) tax withheld from my IRA distribution.
☐ Federal Withholding Only: Withhold minimum 10% or _________% of my distribution for federal income tax.
☐ Virginia State Withholding Only (Virginia residents only): Withhold minimum 4% or _______% of my distribution for Virginia state income tax.
☐ Federal and Virginia State Withholding: Withhold minimum 10% or _______% of my distribution for federal income tax and minimum 4% or _______% of my distribution for Virginia state income tax.

D. Navy Federal Traditional to Roth Conversion Instructions

Traditional IRA No.	Amount to be Converted	Existing Roth IRA No.*
	$	
	$	
	$	

**If no Roth IRA plan exists, a Navy Federal Roth IRA Simplifier Application must be completed.*

E. Signature

I have read and understand the conversion rules and conditions on both pages of this form, and I have met the requirements for making a Roth conversion. Due to the important tax consequences of converting funds to a Roth IRA, I have been advised to see a tax professional. All information provided by me is true and correct, and may be relied on by Navy Federal Credit Union. I assume full responsibility for this conversion transaction and will not hold Navy Federal Credit Union liable for any adverse consequences that may result. I hereby irrevocably designate this contribution of

$ __________________________ in cash as a conversion contribution.

Roth IRA Holder	Date *(MM/DD/YY)*
▸	

F. Accepting IRA Trustee or Custodian

The Roth IRA designated by the above-named individual is a valid Navy Federal Roth IRA. The undersigned hereby agrees to serve as the Trustee for the Roth IRA of the above-named individual and, in that capacity, agrees to accept the direct conversion of the assets listed above.

Navy Federal Roth IRA No.

Authorized Navy Federal Signature	Date *(MM/DD/YY)*
▸	

Additional information on reverse.

Rules and Conditions Applicable to Conversions

General Information

A conversion is a way to move money or property from a Traditional or SEP IRA to a Roth IRA. By properly completing this form, you are certifying to the Trustees or Custodians that you have satisfied the rules and conditions applicable to a conversion and that you are making an irrevocable election to treat the transaction as a conversion.

Traditional IRA to Roth IRA Conversion

This form should be used by those members who are requesting conversion from an IRA. This option will be used under one of two conditions: funds were in a Traditional or SEP IRA at another institution and are being deposited to a Navy Federal Roth IRA within 60 days, or funds are currently in a Navy Federal Traditional IRA and are being internally converted to a Navy Federal Roth IRA.

1. Timeliness

The funds you receive from the distributing Traditional IRA must generally be deposited into a Roth IRA within 60 days after you receive them. When counting the 60 days, include weekends and holidays. There are generally no exceptions to the 60-day rule, and the IRS cannot grant extensions. Receipt generally means the day you actually have the funds in hand. For example, the 60 days would begin on the day following the day you pick up the check from the Trustee or Custodian or you receive the check in the mail.

2. 70½ Conversion Restriction

If this conversion is being made during or after the year in which you turn age 70½, you **cannot** convert any distribution to the extent that it is a required minimum distribution from the distributing IRA.

3. Reconversion Restriction

If you are reconverting a conversion made during the same taxable year or, if later, within 30 days of when the conversion was recharacterized back to a Traditional IRA, you cannot reconvert at this time.

Withholding Notice Information (Form W-4P/OMB No. 1545-0074)

Basic Information About Withholding from IRAs

Generally, federal income tax withholding applies to payments made from IRAs.

Purpose of Form W-4P

Unless you elect otherwise, federal income tax will be withheld from payments from IRAs. You can use Form W-4P, or a substitute form, such as that contained on this form furnished by the Trustee or Custodian, to instruct your Trustee or Custodian to withhold no tax from your IRA payments (or to revoke this election). This substitute form should be used only for distributions from IRAs that are payable upon demand.

Non-periodic Payments

Payments from IRAs that are payable upon demand are treated as non-periodic payments for federal income tax purposes. Generally, non-periodic payments must have income tax withheld at a rate not less than 10%.

You can elect to have no income tax withheld from a non-periodic payment (IRA payment) by filing Form W-4P or a substitute form with the Trustee or Custodian and checking the appropriate box on that form. Your election will remain in effect for any subsequent distributions unless you change or revoke it.

A U.S. citizen or resident alien may not waive withholding on any distribution delivered outside of the U.S. or its possessions. Distributions to a non-resident alien are generally subject to a tax-withholding rate of 30%. A reduced withholding rate, including exemption, may apply if there is a tax treaty between the non-resident alien's country of residence and the United States, and the non-resident alien submits Form W-8BEN, *Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding*, or satisfies the documentation requirements as provided under the regulations.

For more information, please see Publication 505, *Tax Withholding and Estimated Tax*, and Publication 515, *Withholding of Tax on Non-resident Aliens and Foreign Entities*, available from most IRS offices.

Caution: Remember that there are penalties for not paying enough tax during the year, through either withholding or estimated tax payments. New retirees should see Publication 505. It explains the estimated tax requirements and penalties in detail. You may be able to avoid quarterly estimated tax payments by having enough tax withheld from your IRA using Form W-4P.

Revoking the Exemption from Withholding

If you want to revoke your previously filed exemption from withholding, file another Form W-4P with the Trustee or Custodian and check the appropriate box on that form.

Statement of Income Tax Withheld from Your IRA

By January 31 of next year, you will receive a statement from your Trustee or Custodian showing the total amount of your IRA payments and the total federal income tax withheld during the year. Copies of Form W-4P will not be sent to the IRS by the Trustee or Custodian.