

Frequently Asked Questions...

when filing the

Application for Withdraw of Accumulated Contributions (Form 5)

Please review the following information when applying to withdraw accumulated contributions.

For retirement assistance call: 410-625-5555 or 1-800-492-5909.

Question: Do I need to have my former employer sign the Form 5?

Answer: If your termination date is less than 12 months from the date you complete the Form 5, you must forward the form to your former employer. You should send to the attention of the retirement coordinator or personnel office.

If your termination date is more than 12 months from the date you complete the Form 5, then you may send it directly to the Maryland State Retirement Agency.

Question: Does the Form 5 need to be notarized?

Answer: Yes. You must sign and date the form in the presence of a notary who will then affix the official seal and complete the required information. Be sure the notary enters your name on the line provided after “personally appeared” or the form will not be valid and no action will be taken.

By completing the Form 5, you are terminating your membership in the Maryland State Retirement and Pension System and are forfeiting any right to a future benefit including disability benefits. It is important that you acknowledge this forfeiture in the presence of a notary.

Question: Do I need to complete the *Trustee-to-Trustee Distribution Form for Rollovers* (Form 193)?

Answer: If you choose Refund Choice 2 or 3 you must sign and complete page one of the Form 193. Your financial institution must complete and return page two of the Form 193. The Form 193 is not valid unless both sections are properly completed.

Some “eligible retirement plans” do not accept rollovers, some do not accept rollovers of after-tax amounts and some may accept after-tax amounts if they separately account for the amount. IRC Section 457(b) governmental plans and IRC Section 403(a) annuity plans do not accept transfers of non-taxable amounts. Please check with the receiving plan as to whether or not they can accept the rollover before sending the Form 193 to the Agency.

Non-Taxable amounts – these amounts have already been subject to federal tax. If that is the only amount you wish refunded to you, write “NON-TAXABLE” on the line provided in Choice #2.

Note: The non-taxable amount will be determined at the time of the refund.

Question: If I choose Refund Choice 2 or 3 will the refund check be mailed directly to the financial institution accepting the rollover?

Answer: No. The refund check will be mailed to you at the address you provide on the Form 5. The refund check will be payable to you and the financial institution and you are responsible for delivering the check to the financial institution as soon as possible to complete the rollover.

The Maryland State Retirement and Pension System
120 East Baltimore Street • Baltimore, MD 21202-6700

sra.maryland.gov

Question: Do I need to complete an *Acknowledgement of Receipt of Safe Harbor Notice and Affirmative Election* (Form 746)?

Answer: Yes. The State Retirement Agency will not process a withdrawal request without a signed Form 746. If you did not receive a Form 746, please visit our website at sra.maryland.gov/participants and print a copy from the Forms and Downloads page or call a retirement benefits specialist at 410-625-5555 or 1-800-492-5909.

Question: How long will it take for me to get my refund?

Answer: Refund checks are printed and mailed on the last day of each month.

Please allow up to 90 days from the latter of the receipt by the retirement agency of your last payroll contribution (the last pay period from your resignation/termination) or the date of receipt of the properly completed forms for processing.

Due to the volume of requests, the agency does not acknowledge receipt of withdrawal requests. Requests for withdrawals are processed in the order received. If you are rolling over your money, please inform the financial institution that it could take up to 90 days to receive the money.

Question: Is there any way to expedite payment?

Answer: No. Withdrawal requests are processed in the order that they are received.

Question: Will my refund be sent direct deposit?

Answer: No. You will receive a paper check mailed to the address you provide on the Form 5.

If you move before the refund has been processed, notify the agency in writing of your new address, including a full signature and social security number or date of birth. You can mail or fax the change of address to 410-468-1713 or 410-468-1707.

Question: Are taxes withheld from my refund?

Answer: If you select Refund Choice 1, "entire amount refunded," or Refund Choice 2, refund a designated amount, then the agency is required to withhold 20% of any taxable amount paid to you for federal taxes, and if you are a Maryland resident, the agency is required to withhold 7.75% of any taxable amount for Maryland state taxes.

If you select Refund Choice 3, "entire amount transferred to an eligible retirement plan," then the agency will not withhold any amount for federal or Maryland state taxes.

If you have any questions about your specific tax situation, consult your financial advisor, CPA or the Internal Revenue Service. The retirement agency cannot advise you on tax issues.

Question: Where do I send the completed forms?

Answer: Return the completed forms to:
Maryland State Retirement Agency
120 E. Baltimore Street
Baltimore, MD 21202-6700