



## Central Laborers' Pension Fund

P.O. Box 1267 • Jacksonville, Illinois 62651 • Phone 217/243-8521 • Fax 217/245-1293

### Application for Death Benefits

#### Instructions:

Please read this application carefully and answer all of the questions that apply to you. If any part of this application is not clear, contact the Fund's Pension Department for assistance at 800/252-6571, extension 5.

**Please include a copy of the death certificate with this application.**

#### Part A – Information Regarding the Deceased

Name \_\_\_\_\_ Date of birth \_\_\_\_\_  
(last) (first) (middle)

Address \_\_\_\_\_  
(number and street) (city) (state) (zip code)

Social Security Number \_\_\_\_\_ Date of death \_\_\_\_\_

Was the Deceased married at the time of death?  Yes  No

Was the Deceased previously married and divorced?  Yes  No

*If "yes", please provide complete, certified copies of the Divorce Decree and Property/ Marital Settlement Agreement.*

#### Part B – Information Regarding the Beneficiary

Beneficiary's Name \_\_\_\_\_ SSN \_\_\_\_\_  
(last) (first) (middle)

Beneficiary's Address \_\_\_\_\_  
(number and street) (city) (state) (zip code)

Phone number \_\_\_\_\_ Beneficiary's date of birth \_\_\_\_\_

Beneficiary's relationship to the Deceased \_\_\_\_\_

Central Laborers' Pension Fund  
Application for Death Benefits – Page Two

**Part C – Beneficiary is a Minor\*\***

*Complete the information in Part C if the beneficiary is a Minor child.*

Guardian's Name \_\_\_\_\_ SSN \_\_\_\_\_  
(last) (first) (middle)

Guardian's Address \_\_\_\_\_  
(number and street) (city) (state) (zip code)

Phone number \_\_\_\_\_ Guardian's date of birth \_\_\_\_\_

Guardian's relationship to the Deceased \_\_\_\_\_

***\*\*If the minor beneficiary's total estate (including the Pension Fund Death Benefit) is \$10,000 or more, the Fund Office must be provided with a certified copy of the Court Order appointing the minor beneficiary's Guardian, and the Guardian will be required to execute this Application. If the minor beneficiary's total estate is less than \$10,000, the Applicant must be the minor's parent (or relative having responsibility for support of the minor) who will be required to submit an Affidavit, in a form provided by the Fund Office, confirming their relationship to the minor and that the total amount of the minor's estate is less than \$10,000.***

**Part D – Signature of Applicant**

I hereby apply for benefits that may be payable from the Central Laborers' Pension Fund. I have reviewed and understand the Central Laborers' Pension Fund's Plan Rules and Regulations, and I agree to be bound by all such Rules and Regulations. The above statements are true to the best of my knowledge and belief. I understand that a false statement may disqualify me for benefits, and that the Trustees shall have the right to recover any payments made to me because of my false statement.

Signature \_\_\_\_\_ Date \_\_\_\_\_

**Part E – Lump Sum or Eligible Rollover Distribution**

If you elect to receive your benefits as an "eligible rollover distribution, you may elect to have that distribution transferred directly to a traditional or Roth Individual Retirement Account (IRA), or to an eligible employer plan (if it accepts rollovers). If you elect not to have an eligible rollover distribution transferred directly to an IRA or an eligible employer retirement plan, Central Laborers' is required to withhold twenty percent (20%) of the payment for federal income taxes. This withholding does not increase your taxes, but will be credited against any income tax you owe. For further information on direct rollovers and withholding, please read the *Special Tax Notice Regarding Plan Payments* provided with this application.

**Part E – Lump Sum or Eligible Rollover Distribution (continued)**

Please select one of the three options:

- I **do not** want to roll over my payment to a traditional IRA, Roth IRA, or an eligible employer plan. Pay me the full amount of my benefits, after withholding twenty percent (20%) for federal income taxes as required by law.
- I **want** to roll over my payment directly to a traditional IRA, Roth IRA, or an eligible employer plan that accepts rollovers. The IRA or other retirement plan is named in Part F of this form (below).
- I would like to have **only part** of my payment directly rolled over. Please roll over \$ \_\_\_\_\_ to the traditional or Roth IRA or eligible employer plan named in Part F of this form (below) and pay the remainder of my benefit to me, after withholding twenty percent (20%) for federal income taxes as required by law.

**Part F – Authorization for Direct Rollover of Pension Fund Death Benefit**

If you elected a direct rollover in Part E (above), all of the following information must be provided. A direct rollover cannot be made until this section is completed and returned to the Fund Office.

\_\_\_\_\_  
(Name of IRA Trustee or Eligible Employer Plan) (Account Number)

Mailing Address: \_\_\_\_\_  
(number and street) (city) (state) (zip code)

\_\_\_\_\_  
IRA Type (Traditional IRA or Roth IRA)

If you have elected a direct rollover of the pension death benefit, please read and sign the following statement:

*I certify that the recipient of the direct rollover that is named in Section F (above) is an Individual Retirement Account or an Eligible Employer Plan that accepts rollovers. I understand that payment of my benefits to the trustees of the IRA or eligible employer plan will release the Trustees of the Central Laborers' Pension Fund from any further obligations or responsibilities with respect to the benefits so paid.*

Signature \_\_\_\_\_

Date \_\_\_\_\_



## Central Laborers' Pension Fund

### LUMP SUM PAYMENT SPECIAL TAX NOTICE REGARDING PLAN PAYMENTS

This notice contains important information for your review before you decide how to receive your benefits from the Plan.

#### **Your Rollover Options**

You are receiving this notice because all or part of the payment that you will soon receive from the Central Laborers' Pension Fund (the "Plan") is eligible to be rolled over to an IRA or an employer plan. This notice is intended to help you decide whether to do such a rollover.

This notice describes the rollover rules that apply to payments from the Plan that are *not* from a designated Roth account (a type of account with special tax rules in some employer plans). Rules that apply to most payments from a plan are described in the "General Information About Rollovers" section. Special rules that only apply in certain circumstances are described in the "Special Rules and Options" section.

#### **General Information About Rollovers**

##### **How can a rollover affect my taxes?**

You will be taxed on a payment from the Plan if you do not roll it over. If you are under age 59½ and do not do a rollover, you will also have to pay a 10% additional income tax on early distributions (unless an exception applies). However, if you do a rollover, you will not have to pay tax until you receive payments later and the 10% additional income tax will not apply if those payments are made after you are age 59½ (or if an exception applies).

##### **Where may I roll over the payment?**

You may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity) or an employer plan (a tax-qualified plan, section 403(b) plan, or governmental section 457(b) plan) that will accept the rollover. The rules of the IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the IRA or employer plan (for example, no spousal consent rules apply to IRAs and IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the IRA or employer plan.

##### **How do I do a rollover?**

There are two ways to do a rollover. You can do either a direct rollover or a 60-day rollover.

*If you do a direct rollover*, the Plan will make the payment directly to your IRA or an employer plan. You should contact the IRA sponsor or the administrator of the employer plan for information on how to do a direct rollover.

*If you do not do a direct rollover*, you may still do a rollover by making a deposit into an IRA or eligible employer plan that will accept it. You will have 60 days after you receive the payment to make the deposit. If you do not do a direct rollover, the Plan is required to withhold 20% of the payment for federal income taxes (up to the amount of cash received). This means that, in order to roll over the entire payment in a 60-day rollover, you must use other funds to make up for the 20% withheld. If you do not roll over the entire amount of the payment, the portion not rolled over will be taxed and will be subject to the 10% additional income tax on early distributions if you are under age 59½ (unless an exception applies).

## **How much may I roll over?**

If you wish to do a rollover, you may roll over all or part of the amount eligible for rollover. Any payment from the Plan is eligible for rollover, except:

- Certain payments spread over a period of at least 10 years or over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Required minimum distributions after age 70½ (or after death)
- Corrective distributions of contributions that exceed tax law limitations

The Plan administrator can tell you what portion of a payment is eligible for rollover.

## **If I don't do a rollover, will I have to pay the 10% additional income tax on early distributions?**

If you are under age 59½, you will have to pay the 10% additional income tax on early distributions for any payment from the Plan (including amounts withheld for income tax) that you do not roll over, unless one of the exceptions listed below applies. This tax is in addition to the regular income tax on the payment not rolled over.

The 10% additional income tax does not apply to the following payments from the Plan:

- Payments made after you separate from service if you will be at least age 55 in the year of the separation
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Payments made due to disability
- Payments after your death
- Corrective distributions of contributions that exceed tax law limitations
- Payments made directly to the government to satisfy a federal tax levy
- Payments made under a qualified domestic relations order (QDRO)
- Payments up to the amount of your deductible medical expenses
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001 for more than 179 days

## **If I do a rollover to an IRA, will the 10% additional income tax apply to early distributions from the IRA?**

If you receive a payment from an IRA when you are under age 59½, you will have to pay the 10% additional income tax on early distributions from the IRA, unless an exception applies. In general, the exceptions to the 10% additional income tax for early distributions from an IRA are the same as the exceptions listed above for early distributions from a plan. However, there are a few differences for payments from an IRA, including:

- There is no exception for payments after separation from service that are made after age 55.
- The exception for qualified domestic relations orders (QDROs) does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse).
- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.
- There are additional exceptions for (1) payments for qualified higher education expenses, (2) payments up to \$10,000 used in a qualified first-time home purchase, and (3) payments after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

## **Will I owe State income taxes?**

This notice does not describe any State or local income tax rules (including withholding rules).

## Special Rules and Options

### **If you miss the 60-day rollover deadline**

Generally, the 60-day rollover deadline cannot be extended. However, the IRS has the limited authority to waive the deadline upon certain extraordinary circumstances, such as when external events prevented you from completing the rollover by the 60-day rollover deadline. To apply for a waiver, you must file a private letter ruling request with the IRS. Private letter ruling requests require the payment of a nonrefundable user fee. For more information, see IRS Publication 590, *Individual Retirement Arrangements (IRAs)*.

### **If you were born on or before January 1, 1936**

If you were born on or before January 1, 1936 and receive a lump sum distribution that you do not roll over, special rules for calculating the amount of the tax on the payment might apply to you. For more information, see IRS Publication 575, *Pension and Annuity Income*.

### **If you roll over your payment to a Roth IRA**

You can roll over a payment from the Plan made before January 1, 2010 to a Roth IRA only if your modified adjusted gross income is not more than \$100,000 for the year the payment is made to you and, if married, you file a joint return. These limitations do not apply to payments made to you from the Plan after 2009. If you wish to roll over the payment to a Roth IRA, but you are not eligible to do a rollover to a Roth IRA until after 2009, you can do a rollover to a traditional IRA and then, after 2009, elect to convert the traditional IRA into a Roth IRA.

If you roll over the payment to a Roth IRA, a special rule applies under which the amount of the payment rolled over (reduced by any after-tax amounts) will be taxed. However, the 10% additional income tax on early distributions will not apply (unless you take the amount rolled over out of the Roth IRA within 5 years, counting from January 1 of the year of the rollover). For payments from the Plan during 2010 that are rolled over to a Roth IRA, the taxable amount can be spread over a 2-year period starting in 2011.

If you roll over the payment to a Roth IRA, later payments from the Roth IRA that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a Roth IRA is a payment made after you are age 59½ (or after your death or disability, or as a qualified first-time homebuyer distribution of up to \$10,000) and after you have had a Roth IRA for at least 5 years. In applying this 5-year rule, you count from January 1 of the year for which your first contribution was made to a Roth IRA. Payments from the Roth IRA that are not qualified distributions will be taxed to the extent of earnings after the rollover, including the 10% additional income tax on early distributions (unless an exception applies). You do not have to take required minimum distributions from a Roth IRA during your lifetime. For more information, see IRS Publication 590, *Individual Retirement Arrangements (IRAs)*.

You cannot roll over a payment from the Plan to a designated Roth account in an employer plan.

### **If you are not a plan participant**

*Payments after death of the participant.* If you receive a distribution after the participant's death that you do not roll over, the distribution will generally be taxed in the same manner described elsewhere in this notice. However, the 10% additional income tax on early distributions and special rule described under the section "If you were born on or before January 1, 1936" applies only if the participant was born on or before January 1, 1936.

**If you are a surviving spouse.** If you receive a payment from the Plan as the surviving spouse of a deceased participant, you have the same rollover options that the participant would have had, as described elsewhere in this notice. In addition, if you choose to do a rollover to an IRA, you may treat the IRA as your own or as an inherited IRA.

An IRA you treat as your own is treated like any other IRA of yours, so that payments made to you before you are age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies) and required minimum distributions from your IRA do not have to start until after you are age 70½.

If you treat the IRA as an inherited IRA, payments from the IRA will not be subject to the 10% additional income tax on early distributions.

**If you are a surviving beneficiary other than a spouse.** If you receive a payment from the Plan because of the participant's death and you are a designated beneficiary other than a surviving spouse, the only rollover option you have is to do a direct rollover to an inherited IRA. Payments from the inherited IRA will not be subject to the 10% additional income tax on early distributions. You will have to receive required minimum distributions from the inherited IRA.

Payments under a qualified domestic relations order. If you are the spouse or former spouse of the participant who receives a payment from the Plan under a qualified domestic relations order (QDRO), you generally have the same options the participant would have (for example, you may roll over the payment to your own IRA or an eligible employer plan that will accept it). Payments under the QDRO will not be subject to the 10% additional income tax on early distributions.

### **If you are a nonresident alien**

If you are a nonresident alien and you do not do a direct rollover to a U.S. IRA or U.S. employer plan, instead of withholding 20%, the Plan is generally required to withhold 30% of the payment for federal income taxes. If the amount withheld exceeds the amount of tax you owe (as may happen if you do a 60-day rollover), you may request an income tax refund by filing Form 1040NR and attaching your Form 1042-S. See Form W-8BEN for claiming that you are entitled to a reduced rate of withholding under an income tax treaty. For more information, see also IRS Publication 519, *U.S. Tax Guide for Aliens*, and IRS Publication 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*.

### **Other special rules**

If your payments for the year are less than \$200, the Plan is not required to allow you to do a direct rollover and is not required to withhold for federal income taxes. However, you may do a 60-day rollover.

Unless you elect otherwise, a mandatory cashout of more than \$1,000 will be directly rolled over to an IRA chosen by the Plan administrator. A mandatory cashout is a payment from a plan to a participant made before age 62 (or normal retirement age, if later) and without consent, where the participant's benefit does not exceed \$5,000 (not including any amounts held under the plan as a result of a prior rollover made to the plan).

You may have special rollover rights if you recently served in the U.S. Armed Forces. For more information, see IRS Publication 3, *Armed Forces' Tax Guide*.

### **For More Information**

You may wish to consult with the Plan administrator or a professional tax advisor, before taking a payment from the Plan. Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, *Pension and Annuity Income*; IRS Publication 590, *Individual Retirement Arrangements (IRAs)*; and IRS Publication 571, *Tax-Sheltered Annuity Plans (403(b) Plans)*. These publications are available from a local IRS office, on the web at [www.irs.gov](http://www.irs.gov), or by calling 1-800-TAX-FORM.

### **Your Right to Waive the 30-Day Notice Period**

Generally, neither a direct rollover nor a payment can be made from the plan until at least 30 days after your receipt of this notice. Thus, after receiving this notice, you have at least 30 days to consider whether or not to have your withdrawal directly rolled over. If you do not wish to wait until this 30-day notice period ends before your election is processed, you may waive the notice period by making an affirmative election indicating whether or not you wish to make a direct rollover. Your withdrawal will then be processed in accordance with your election as soon as practical after it is received by the Plan Administrator.