

**OKLAHOMA POLICE PENSION AND RETIREMENT SYSTEM**  
**LETTER TO PERSONAL REPRESENTATIVE OF AN ESTATE OR SUCCESSOR IN INTEREST**

Dear Personal Representative of an Estate or Successor in Interest:

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 or a successor in interest of a small 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 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 will be withheld for federal taxes and four and seventy-five hundredths percent (4.75%) of the taxable portion of the distribution will be withheld for state taxes unless no withholding is elected. This means the estate, or you will receive 85.25% of the taxable portion of the distribution assuming taxes are withheld. (Note - taxes must be withheld from a distribution if the payment is delivered outside of the U.S. or its possessions.)

If you were the spouse of the deceased member at the time of death, in some circumstances you may be permitted to make a rollover of all or a portion of any distribution to you if you apply for and receive a private letter ruling from the Internal Revenue Service and provide a copy of that ruling to the System. In that event, different withholding rules would apply.

If no taxes are withheld, taxes are still owed on the taxable portion of the distribution. Furthermore, tax penalties may be owed under the estimated tax payment rules if the payments of estimated tax and withholding, if any, are not adequate.

The following distributions may be available:

- **\$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 or a successor in interest 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.



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 www.opprs.ok.gov

**NOTICE OF SELECTED DISTRIBUTION FOR PAYMENT TO AN ESTATE OR SUCCESSOR IN INTEREST**

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 or successor in interest.

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

**PAYMENT TO THE PERSONAL REPRESENTATIVE OR SUCESSOR IN INTEREST OF THE ESTATE**

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

- 10% federal income tax to be withheld
- No federal income tax to be withheld at time of disbursement

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

- 4.75% Oklahoma income tax to be withheld
- No Oklahoma income tax to be withheld at time of disbursement

**APPLICANT SIGNATURE**

\_\_\_\_\_ Applicant Signature (**Witnessed by Notary**)

\_\_\_\_\_ Date

\_\_\_\_\_ Please Print Name

\_\_\_\_\_ Estate Tax ID or Applicant Social Security Number

\_\_\_\_\_ Mailing Address

\_\_\_\_\_ Telephone Number

\_\_\_\_\_ City, State and Zip Code

\_\_\_\_\_ Email Address

**NOTARY’S SIGNATURE:**

State of \_\_\_\_\_ ) ss.

County of \_\_\_\_\_ )

Subscribed and sworn to before me, the undersigned notary, on this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

Notary Signature \_\_\_\_\_

My commission number \_\_\_\_\_

[SEAL]

My commission expires \_\_\_\_\_