



Defined Benefit Monthly Pension Beneficiary Application

* Required field • Please print • Retain a copy for your records

Who should use this form?

Please use this form if you are the surviving spouse, child (unmarried and under age 21), or other designated *Monthly Pension Beneficiary* of a vested MERS Defined Benefit participant who is deceased.

1. Information about you (the Monthly Pension Beneficiary)

Last name*		First name*		MI
Date of birth (mm/dd/yy)*	Social Security number*		Daytime phone*	
Street address*		City*	State*	Zip*
Email address				
Relationship to participant at time of death*				
<input type="checkbox"/> Spouse <input type="checkbox"/> Child (unmarried and under age 21) <input type="checkbox"/> Other _____				
— Payment of a retirement allowance to a surviving child shall not be made for any month for which a surviving spouse is paid a retirement allowance.				

2. Information about the deceased MERS participant

Participant last name*		Participant first name*		MI
Last 4 of participant Social Security number*	Date of death (mm/dd/yy)*	Municipality/employer name		

3. Banking information

Primary account

Amount of deposit*		Type of account*		
<input type="checkbox"/> All <input type="checkbox"/> Partial \$ _____		<input type="checkbox"/> Savings account <input type="checkbox"/> Checking account		
Financial Institution name*			Phone number (with area code)*	
ABA routing number (9 digit)*		Account number* (do not include check number)		

Secondary account: If you chose a partial payment above, the remainder of your pension payment will be directly deposited into a secondary account. Please provide that account information below.

Type of account	
<input type="checkbox"/> Savings account <input type="checkbox"/> Checking account	
Financial Institution name	
Phone number (with area code)	
ABA routing number (9 digit)	
Account number (do not include check number)	

MERS will deposit your monthly pension by direct deposit into the designated financial institution(s) as specified above. MERS reserves the right to recover money electronically deposited in your account in error, either by adjusting the account or withholding from future payments. We will notify you in writing if adjustments are being made. Please notify any joint account holder(s) of the obligations to repay any overpayment to this account if the overpayment is not repaid by the financial institution.

Defined Benefit Monthly Pension Beneficiary Application

Participant's last name* (please print clearly)

Participant's last four digits of SSN*

4. Michigan income tax withholding

Marital tax status* Single Married Married, but withhold at higher "Single" rate

Select ONE option below that applies to you (or your spouse)		Tax withholding will occur on:
1. <input type="checkbox"/>	Your pension payments are not taxable and you wish to opt out of Michigan state tax withholding <i>(Opting out may result in a balance due on your MI-1040 as well as penalty and/or interest.)</i> See Optional section below for additional voluntary withholding.	None of your pension benefits
2. <input type="checkbox"/>	You (or spouse) were born before 1946	None of your pension benefits
3. <input type="checkbox"/>	You (or spouse if older) were born during the period 1946–1952	Benefits over \$20,000 if single; over \$40,000 if filing jointly
4. <input type="checkbox"/>	You (or spouse if older) were born 1946–1952 and one of you received pension benefits from a government agency not covered by Social Security - OR - You (and spouse) were born after 1952, one of you received a pension from a government agency not covered by Social Security, and one of you were retired from that agency as of January 1, 2013.	Benefits over \$35,000 if single; over \$55,000 if filing jointly
5. <input type="checkbox"/>	You (and spouse) were born after 1952, either of you are now age 62 through 66, and your pension benefits were from a government agency not covered by Social Security	Benefits over \$15,000
6. <input type="checkbox"/>	You (and spouse) were born after 1952	All pension benefits
7. <input type="checkbox"/>	You (and spouse) were born after 1952, either of you have reached age 67. Enter amount from Calculation Worksheet on last page of this form. _____ → \$ _____	

If you reside in Michigan and you do not submit this form, MERS will withhold based on Michigan tax regulations. For additional information, visit www.michigan.gov/taxes.

Optional – Select exemptions and additional withholding

If you checked 3, 4, 5, or 6 above, enter number of exemptions, if desired (this will reduce the amount withheld for taxes): _____

If you checked 3, 4, 5, 6 or 7 above, enter *additional* percentage or dollar amount, if any, you want withheld from your pension or annuity payment. This amount will be *in addition* to the withholding calculated by your selections above: _____% **OR** \$ _____

5. Federal income tax withholding

Step 1. Federal Filing Status: Single or Married filing separately Married filing jointly or Qualifying surviving spouse
 Head of household (Check only if you're unmarried and pay more than half the costs of keep up a home for yourself and a qualifying individual.)

Complete Steps 2-4 ONLY if they apply to you; otherwise, skip to signature in Section 4. See the pages following the application for more information on each step and how to elect to have no federal income tax withheld (if permitted).

Step 2: Complete this step if you (1) have income from a job or more than one pension/annuity, or (2) are married filing jointly and your spouse receives income from a job or a pension/annuity.

Income From a Job or Multiple Pension Annuities (Including a Spouse's Job or Pension/Annuity)

Do **only one** of the following:

(a) Reserved for future use.

(b) Complete the items below.

(i) If you (or your spouse) have one or more jobs, enter the total taxable annual pay from all jobs, plus any other income entered on Form W-4, Step 4(a), for the jobs less the deductions entered on Form W-4, Step 4(b). Otherwise, enter "-0-" ▶ \$ _____

(ii) If you (or spouse) have another pension/annuity that pays less annually than this pension, enter the total annual taxable payments from all lower-paying pensions/annuities. Otherwise, enter "-0-" ▶ \$ _____

(iii) Add the amounts from items (i) and (ii) and enter the **total** here ▶ \$ _____

TIP: To be accurate, submit an IRS Form W-4P for all other pensions/annuities if you haven't updated your withholding since 2021 or this is a new pension that pays less than the other(s). Submit a new Form W-4 for your job(s) if you have not updated your withholding since 2019. If you have self-employment income, see page 4.

If (b)(i) is blank and this pension/annuity pays the most annually, complete Steps 3-4(b) in this Section.

Otherwise, do not complete Steps 3-4(b) in this Section.

Defined Benefit Monthly Pension Beneficiary Application

Participant's last name* (please print clearly)

Participant's last four digits of SSN*

Step 3: If your total income will be \$200,000 or less (\$400,000 or less if married filing jointly):

Claim Multiply the number of qualifying children under age 17 by \$2,000 ... ▶ \$ _____

Dependent Multiply the number of other dependents by \$500 ▶ \$ _____

and Other Add other credits, such as foreign tax credit and education tax credits... ▶ \$ _____

Credits Add the amounts for qualifying children, other dependents, and other credits and enter the total here **3** \$ _____

Step 4 (optional):

Other Adjustments

(a) Other income (not from jobs or pension/annuity payments). If you want tax withheld on other income you expect this year that won't have withholding, enter the amount of other income here. This may include interest, taxable social security, and dividends **4(a)** \$ _____

(b) Deductions. If you expect to claim deductions other than the basic standard deduction and want to reduce your withholding, use the Deductions Worksheet on the bottom of the last page and enter the result here..... **4(b)** \$ _____

(c) Extra withholding. Enter any additional tax you want withheld from **each** payment **4(c)** \$ _____

6. Certification signature

I certify that the information above is complete and accurate to the best of my knowledge and that I am the Monthly Pension Beneficiary of the deceased MERS Defined Benefit Plan retiree above.

Signature of Monthly Pension beneficiary*

Date (mm/dd/yyyy)*

Note: This statement must be accompanied by a copy of the death certificate of the participant.

You can submit this form online!

If you already have a myMERS account, you can upload this form online. Select your "MERS DB Monthly Pension", click on the Account Summary in the Quick Links and then select **File Upload** in the upper right corner to easily and securely submit completed forms.

You may also send completed form to:

MERS of Michigan
 1134 Municipal Way
 Lansing, MI 48917
 Fax: 517.703.9706

Defined Benefit Monthly Pension Beneficiary Application

Federal income tax withholding – Instructions

General Instructions for Section 5 – Federal income tax withholding

This section replicates information on *IRS Form W-4P* and serves as a substitute for that form. It is required by the IRS to be included in its entirety with this form. For additional information, go to www.irs.gov/FormW4P.

Purpose of this section is to withhold the correct amount of federal income tax from your MERS Defined Benefit pension. Federal income tax withholding applies to the taxable part of these payments. Periodic payments are made in installments at regular intervals (monthly) over a period of more than 1 year. For more information on withholding, see *IRS Pub. 505, Tax Withholding and Estimated Tax*.

Choosing not to have income tax withheld. You can choose not to have federal income tax withheld from your payments by writing “No Withholding” in the space below Step 4(c) then submitting this form.

Generally, if you are a U.S. citizen or a resident alien, you are not permitted to elect not to have federal income tax withheld on payments to be delivered outside the United States and its territories.

Caution: If you have too little tax withheld, you will generally owe tax when you file your tax return and may owe a penalty unless you make timely payments of estimated tax. If too much tax is withheld, you will generally be due a refund when you file your tax return. If your tax situation changes, or you chose not to have federal income tax withheld and you now want withholding, you should submit a new *IRS Form W-4P*.

Self-employment. Generally, you will owe both income and self-employment taxes on any self-employment income you (or you and your spouse) receive. If you do not have a job and want to pay these taxes through withholding from your payments, you should enter the self-employment income in Step 4(a). Then compute your self-employment tax, divide that tax by the number of payments remaining in the year, and include that resulting amount per payment in Step 4(c). You can also add half of the annual amount of self-employment tax to Step 4(b) as a deduction. To calculate self-employment tax, you generally multiply the self-employment income by 14.13% (this rate is a quick way to figure your self-employment tax and equals the sum of the 12.4% social security tax and the 2.9% Medicare tax multiplied by 0.9235). See *IRS Pub. 505* for more information, especially if your self-employment income multiplied by 0.9235 is over \$160,200.

Payments to nonresident aliens and foreign estates. Do not use Form W-4P. See Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities, and Pub. 519, U.S. Tax Guide for Aliens, for more information.

Tax relief for victims of terrorist attacks. If your disability payments for injuries incurred as a direct result of a terrorist attack are not taxable, write “No Withholding” in the space below Step 4(c). See Pub. 3920, Tax Relief for Victims of Terrorist Attacks, for more details.

Specific Instructions for Section 5 – Federal income tax withholding

Step 1. Check your anticipated filing status. This will determine the standard deduction and tax rates used to compute your withholding.

Step 2. Use this step if you have at least one of the following: (1) income from a job or more than one pension/annuity, and/or (2) a spouse (filing jointly) that receives income from a job/pension/annuity.

Example 1. Bob, a single filer, is completing this form for a MERS pension that pays \$50,000 a year. Bob also has a job that pays \$25,000 a year. Bob has no other pensions or annuities. Bob will use an *IRS Form W-4P* to enter \$25,000 in Step 2(b)(i) and in Step 2(b)(iii). If Bob also has \$1,000 of interest income, which he entered on *IRS Form W-4*, Step 4(a), then he will instead enter \$26,000 in Step 2(b)(i) and in Step 2(b)(iii). He will make no entries in Step 4(a) on this form.

Example 2. Carol, a single filer, is completing this form for a MERS pension that pays \$50,000 a year. Carol does not have a job, but she also receives another pension for \$25,000 a year (which pays less annually than the \$50,000 pension). Carol will enter \$25,000 in Step 2(b)(ii) and in Step 2(b)(iii). If Carol also has \$1,000 of interest income, then she will enter \$1,000 in Step 4(a) of this form.

Example 3. Don, a single filer, is completing this form for a pension that pays \$50,000 a year. Don does not have a job, but he receives another pension for \$75,000 a year (which pays more annually than the \$50,000 pension). Don will not enter any amounts in Step 2.

If Don also has \$1,000 of interest income, he won't enter that amount on this form because he entered the \$1,000 on the *IRS Form W-4P* for the higher paying \$75,000 pension.

Defined Benefit Monthly Pension Beneficiary Application

Example 4. Ann, a single filer, is completing this form for a pension that pays \$50,000 a year. Ann also has a job that pays \$25,000 a year and another pension that pays \$20,000 a year. Ann will enter \$25,000 in Step 2(b)(i), \$20,000 in Step 2(b)(ii), and \$45,000 in Step 2(b)(iii).

If Ann also has \$1,000 of interest income, which she entered on Form W-4, Step 4(a), she will instead enter \$26,000 in Step 2(b) (i), leave Step 2(b)(ii) unchanged, and enter \$46,000 in Step 2(b) (iii). She will make no entries in Step 4(a) of this form.

If you are married filing jointly, the entries described above do not change if your spouse is the one who has the job or the other pension/annuity instead of you.

CAUTION:

Multiple sources of pensions/annuities or jobs. If you (or if married filing jointly, you and/or your spouse) have a job(s), or a different pension/annuity that pays higher than this MERS pension, do NOT complete Steps 3 through 4(b) in this section. Instead, complete Steps 3 through 4(b) on IRS Form W-4P for the job or highest paying pension/annuity.

If you (or if married filing jointly, you and/or your spouse) do not have a job or a higher paying pension/annuity, complete Steps 3 through 4(b) on this form for only this MERS pension.

Step 3. This step provides instructions for determining the amount of the child tax credit and the credit for other dependents that you may be able to claim when you file your tax return. To qualify for the child tax credit, the child must be under age 17 as of December 31, must be your dependent who generally lives with you for more than half the year, and must have the required social security number. You may be able to claim a credit for other dependents for whom a child tax credit can't be claimed, such as an older child or a qualifying relative. For additional eligibility requirements for these credits, see *IRS Pub. 501, Dependents, Standard Deduction, and Filing Information*. You can also include **other tax credits** in this step, such as the foreign tax credit and the education tax credits. Including these credits will increase your payments and reduce the amount of any refund you may receive when you file your tax return.

Step 4 (optional).

Step 4(a). Enter in this step the total of your other estimated income for the year, if any. You shouldn't include amounts from any job(s) or pension/annuity payments. If you complete Step 4(a), you likely won't have to make estimated tax payments for that income. If you prefer to pay estimated tax rather than having tax on other income withheld from your pension, see *IRS Form 1040-ES, Estimated Tax for Individuals*.

Step 4(b). Enter in this step the amount from the *Deductions Worksheet* (bottom of the last page), line 6, if you expect to claim deductions other than the basic standard deduction on your 2023 tax return and want to reduce your withholding to account for these deductions. This includes itemized deductions, the additional standard deduction for those 65 and over, and other deductions such as for student loan interest and IRAs.

Step 4(c). Enter in this step any additional tax you want withheld from **each payment**. Entering an amount here will reduce your payments and will either increase your refund or reduce any amount of tax that you owe.

Note: If you don't provide any information in this Section, then MERS will withhold tax from your payments as if your filing status is single with no adjustments in Steps 2 through 4. For payments that began before 2023, your current withholding election (or your default rate) remains in effect unless you submit a new *IRS Form W-4P*, including this substitute Form W-4P.

Worksheet to Estimate Michigan State Withholding for Taxpayers Born After 1952 and Reached Age 67

(see section above on Michigan Income Tax Withholding)

Recipients born after 1952 that have reached age 67 may choose to either (1) deduct the personal exemption amount and taxable Social Security benefits, military compensation (including retirement benefits), Michigan National Guard retirement benefits, and railroad retirement benefits included in adjusted gross income, or (2) claim a deduction against all income of \$20,000 if single or married filing separately, or \$40,000 if filing jointly. Benefits in excess of these limits are taxable. Complete ONE of the columns below based on your filing status to determine how much withholding is necessary on taxable benefits. Estimate your income this year based on last year's state and federal income tax returns even if you have not completed them yet.

	Single or Married Filing Separately	Joint
1. Standard Deduction – If you received retirement benefits from SSA exempt employment and were retired before January 1, 2013, the additional \$15,000 to the standard deduction does not apply to line 1.	\$20,000	\$40,000
2. Lines 2a–2d: Enter this year's estimated income by using last year's federal return, even if that return has not been filed yet.		
a. Taxable Social Security from last year's 1040, line 6b		
b. Military compensation (including military retirement benefits)		
c. Michigan National Guard retirement benefits		
d. Taxable railroad retirement benefits		
3. Enter the total of lines 2a through 2d		
4. Michigan exemption amount from last year's MI-1040, line 9a		
5. Subtract lines 3 and 4 from line 1. If lines 3 plus 4 are greater than line 1, enter "0"		
6. a. This year's retirement benefits with No Withholding		
b. Other income not subject to Michigan withholding (Examples: interest, dividends, and other investment income)		
7. Enter the total of lines 6a and 6b		
8. Subtract line 5 from line 7. If line 5 is greater than line 7, enter "0"		
9. Multiply line 8 by 4.25% (0.0425)		
10. Divide line 9 by 12 (since MERS issues 12 pension payments during the tax year). Enter here and on line 7 of Section 3 of this form.		

Deductions Worksheet

(see Federal Income Tax Withholding section – Step 4(b))

- 1 Enter an estimate of your 2023 itemized deductions (from Schedule A (IRS Form 1040)). Such deductions may include qualifying home mortgage interest, charitable contributions, state and local taxes (up to \$10,000), and medical expenses in excess of 7.5% of your income ► \$ _____
- 2 Enter:

<ul style="list-style-type: none"> • \$27,700 if you're married filing jointly or qualifying widow(er) • \$20,800 if you're head of household • \$13,850 if you're single or married filing separately]..... ► \$ _____
---	-------------------
- 3 If line 1 is greater than line 2, subtract line 2 from line 1 and enter the result here. If line 2 is greater than line 1, enter "-0-" ► \$ _____
- 4 If line 3 equals zero, and you (or your spouse) are 65 or older, enter:
 - \$1,850 if you're single or head of household
 - \$1,500 if you're married filing separately
 - \$1,500 if you're a qualifying widow(er) or you're married and one of you is under age 65
 - \$3,000 if you're married and both of you are age 65 or older
 Otherwise, enter "-0-". See *IRS Pub. 505* for more information ► \$ _____
- 5 Enter an estimate of your student loan interest, deductible IRA contributions, and certain other adjustments (from Part II of Schedule 1 (IRS Form 1040)). See *IRS Pub. 505* for more information ► \$ _____
- 6 **Add** lines 3 through 5. Enter the result here and in **Step 4(b)** in Section 5 - Federal income tax withholding ► \$ _____