

## Defined Benefit Disability Retirement Form

This form is for use after your *Application for Disability Retirement (F-51)* has been approved by MERS.

Please print clearly. Fields with an asterisk (\*) are required and must be completed to submit the form accurately.

### 1. Information about you

Last Name*	First Name*	Last four digits of SSN*	Date of birth (mm/dd/yyyy)	
Mailing address*		City*	State*	Zip code*
Home email address		Phone number (with area code)*		
Name of employer*		Effective date of retirement*		

### 2. Retirement benefit payment option

Your retirement benefit is for your lifetime regardless of the option you elect. You may leave a benefit for a beneficiary or one person who is the beneficiary of an irrevocable trust by taking a reduction to your pension benefit. Once you have chosen your payment option and receive your first payment, you may not change your election. (Refer to Section 2 of the Guide for details.)

Select one form of payment\*:

- |   |   |   |
|---|---|---|
| <input type="checkbox"/> Regular – Straight Life      | <input type="checkbox"/> Option IIA – 75% to Survivor | <input type="checkbox"/> Option IV – Period Certain Guarantee<br>(Select one below) |
| <input type="checkbox"/> Option II – 100% to Survivor | <input type="checkbox"/> Option III – 50% to Survivor | <input type="checkbox"/> 5 years <input type="checkbox"/> 10 years                  |
|   |   | <input type="checkbox"/> 15 years <input type="checkbox"/> 20 years                 |

### 3. Beneficiary information

If you have contributed to your retirement and elect the Straight Life option, it is suggested you name a beneficiary(ies). If no beneficiary is named under the Straight Life option, a refund will go to your estate. If you have elected a payment option (Option II, IIA, III) that provides a monthly benefit to a beneficiary, you may name one person or one person who is the beneficiary of an irrevocable trust. Your named beneficiary under options II, IIA, and III, cannot be changed once you have received your first payment. If you are married, your spouse's signature is required in Section 9 prior to MERS issuing your first payment. Your spouse's signature is required and indicates agreement with your election made. (See Section 3 in the Guide for an explanation of options.)

Beneficiary last name*	Beneficiary first name	MI	Beneficiary Social Security Number	
Relationship	Date of birth (mm/dd/yyyy)	Daytime phone (area code and number)		Zip code
Mailing address	City	State		

If you have elected Option IV and want to add more beneficiaries, please attach a separate list that you have signed and dated providing the same information for each beneficiary. If you select multiple recipients for Option IV, **they will all receive an equal share of your retirements**, even if one of them is your spouse.)

## Defined Benefit Disability Retirement Form

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

### 4. 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.

### 5. Michigan income tax withholding

☐ Check this box if your payments are **not taxable** or you wish to **opt out of default withholding**.

**NOTE:** Opting out may result in a balance due on your MI-1040 which may be subject to additional penalty and/or interest.

State filing status:

☐ Single ☐ Married ☐ Married, but withhold at "Single" rate

If you did not opt out of withholding, you *must* select one of the options below to have withholdings applied at the standard amount.

Enter number of **exemptions**, if desired (this will reduce the amount withheld for taxes): \_\_\_\_\_

☐ You (or your spouse if filing jointly) were born **1946 through 1966**. Withholdings will be based on current deduction amount of benefits over \$48,030 if single; over \$96,060 if filing jointly (for 2025 tax year).

☐ Withhold based on the full taxable portion of your pension benefit.

*Click or scan this code to see  
how the pension deduction  
phase-in will impact future years.*



#### OPTIONAL

Enter **ADDITIONAL percentage** or **dollar amount**, if any, you want withheld from each pension payment.

This amount will be IN ADDITION to the withholding calculated by your selections above: \_\_\_\_\_ % **OR** \$ \_\_\_\_\_ .00

## Defined Benefit Disability Retirement Form

Last name\* (please print clearly)

Last four digits of SSN\*

### 6. 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 keeping up a home for yourself and a qualifying individual.)

**TIP:** Consider using the estimator at [www.irs.gov/W4App](http://www.irs.gov/W4App) to determine the most accurate withholding for the rest of the year if: you are completing this form after the beginning of the year; expect to receive your payments only part of the year; or have changes during the year in your marital status, number of pensions/jobs for you (and/or your spouse if married filing jointly), dependents, other income (not from jobs or pension/annuity payments), deductions, or credits. Have your most recent payment statements/pay stubs from this year available when using the estimator. At the beginning of next year, use the estimator again to recheck your withholding.

**Complete Steps 2-4 ONLY if they apply to you; otherwise, skip to Section 7.** See the pages following the application for more information on each step, when to use the estimator at [www.irs.gov/W4App](http://www.irs.gov/W4App), and how to elect to have no federal income tax withheld (if permitted).

**Step 2:**  
**Income From a Job or Multiple Pension Annuities (Including a Spouse's Job or Pension/Annuity)**

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.

Do **only one** of the following:

- (a) Use the estimator at [www.irs.gov/W4App](http://www.irs.gov/W4App) for most accurate withholding for this step (and Steps 3-4). If you or your spouse have self-employment income, use this option; or
- (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 (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 Disability Retirement Form

Last name\* (please print clearly)

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 Dependent and Other Credits

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

Multiply the number of other dependents by \$500 ..... ▶ \$ \_\_\_\_\_

Add other credits, such as foreign tax credit and education tax 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)** \$ \_\_\_\_\_

## 7. Required signatures

I acknowledge and agree that I have completed this *Defined Benefit Disability Retirement Form*, that my responses are true and accurate to the best of my knowledge, and that I understand and accept its provisions and those of the benefit payment option I have elected. I understand and agree that my choice is final and irrevocable after receipt of my first benefit payment.

I understand that while receiving a disability retirement benefit before reaching normal or unreduced-early retirement age, employment (including self-employment) that I engage in cannot have duties, demands, education, or training similar to that of my past position for which I am receiving a disability benefit. I further understand that I must contact MERS if I am no longer disabled from performing my pre-retirement duties and agree to do so should my disability status change.

Participant signature\*

Date (mm/dd/yyyy)

**Spouse's signature** – Required only if participant is currently married. If not married, write NONE in the field below.

I have read this form and fully understand and agree with my spouse's elections. If another individual is named beneficiary in Section 3, I understand that I am giving up my automatic right as the participant's spouse, to survivor benefits.

Spouse's name

Spouse's signature

Date (mm/dd/yyyy)

*Data collected on this form will be used by MERS staff for identification and documentation only.*

### 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 mail completed form to:

**Municipal Employees'  
Retirement System of Michigan**  
1134 Municipal Way  
Lansing, MI 48917  
Fax: 517.703.9706

# Guide to Completing the Defined Benefit Disability Retirement Form

## 1. Information about you

Enter your basic information – legal name, last four digits of your Social Security Number, contact information, and the name of the employer from which you are applying for a MERS retirement.

## 2. Retirement benefit payment option

**Regular – Straight Life:** The highest benefit amount you are eligible to receive. Benefits end the month following your death.

If you have contributed to your retirement and elect this option, it is suggested you name a beneficiary(ies). In the event you pass away prior to exhausting your contributions, a refund will be paid to your named beneficiary(ies). You may also name a trust, estate or charity. If you do not name a beneficiary, a refund will go to your estate.

If your employer provides an **RS benefit** and you elect this option, select Regular – Straight Life as your payment option in Section 2. Your spouse at the time of retirement is your beneficiary. An RS is an employer-adopted benefit that allows your spouse to receive a percent (defined by your employer) of your Straight Life benefit upon your death without your benefit having a reduction. To be eligible, you must be married to your spouse for at least one year before you retire, and still be married at the time of your death.

**Option II – 100% ; IIA – 75%; and III – 50% to Survivor:** Upon your death your beneficiary will receive 100%, 75%, or 50% of the amount you were receiving for your lifetime.

Once you have received your first payment, you may not name a new beneficiary. If your beneficiary predeceases you, your retirement benefit will revert to the Regular – Straight Life amount for the remainder of your life.

**Option IV – Period Certain Guarantee (5, 10, 15, or 20 years):**

This option allows you to provide a beneficiary(ies) with survivor benefits for a temporary period of time. The number of years elected cannot exceed your life expectancy.

This option allows you to name one or more beneficiaries. You may change your beneficiary(ies) at any time by completing the *Option IV Beneficiary Change* (Form 41). If you are married, your spouse must consent to any changes that are made.

The certain period begins with the date of your retirement. If, upon your death, there is time remaining to the option you have elected, payments will continue to be made in the same amount to your beneficiary(ies). For example, if you elect the 10-year period, and die after 8 years, your beneficiaries will receive your monthly benefit for the remaining 2 years. Once the period certain has expired there is no continuing benefit for your beneficiaries. If you have named more than one beneficiary, the benefit will be split equally among each named survivor.

## 3. Beneficiary information

Your retirement benefit is for your lifetime regardless of the option you elect. You may leave a benefit for a beneficiary by taking a reduction to your pension benefit. You must name an individual, not an estate or other entity, when electing a payment option (Option II, IIA, III) that provides a monthly benefit to a beneficiary. The one exception to this requirement is that you may name an individual to be paid as the beneficiary of a valid, irrevocable trust. If you name the beneficiary of such a trust, you must submit a copy of the trust document to MERS for approval. MERS will notify you within 15 business days if your irrevocable trust designation is approved.

Once you have chosen your option and receive your first payment, you may not change your election. In certain instances, you may change your beneficiary. Please refer to Section 2 in this guide for details.

If you are married, your spouse must understand and agree with the retirement option you have elected, and the named beneficiary if other than your spouse. Their signature is required in Section 9 prior to MERS issuing your first payment.

## 4. Banking information

Please provide routing and account information only for the financial institution you would like your pension payments electronically deposited to.

If you choose to have only one direct deposit account, only fill out the **Primary account** information. If you choose to have two direct deposit accounts, please fill out both the **Primary** and **Secondary account** information.

See below for a sample check and where to find routing and account numbers.

The image shows a sample check from MERS. At the top right is the number 1025. Below it is a line for DATE. The main body of the check has a line for PAY TO THE ORDER OF, followed by a dollar sign (\$) and a line for the amount. Below that is a line for DOLLARS. At the bottom left is a line for MEMO. At the bottom center, there are two circled areas: the first contains the routing number 1000000000 and the second contains the account number 1000000000. At the bottom right is the number 1025.

Routing number

Account number

If you select a partial payment, the remainder will be directly deposited into a secondary account. Please fill in the **Secondary account** section with the financial institution's information.

# Guide to Completing the Defined Benefit Disability Retirement Form

## 5. Michigan income tax withholding

In 2012, Michigan's tax treatment of pension and retirement benefits changed and these benefits are subject to income tax for many recipients. For additional information, visit [www.michigan.gov/taxes](http://www.michigan.gov/taxes).

## 6. Federal income tax withholding

### General Instructions – 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](http://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" on this form in the space below Step 4(c). Then, complete Steps 1(a), 1(b), and 5. 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*.

**When to use the estimator.** Consider using the estimator at [www.irs.gov/W4App](http://www.irs.gov/W4App) if you:

1. Have social security, dividend, capital gain, or business income, or are subject to the Additional Medicare Tax or Net Investment Income Tax; or
2. Receive these payments or pension and annuity payments for only part of the year.

**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, use the estimator at [www.irs.gov/W4App](http://www.irs.gov/W4App) to figure the amount to have withheld.

**Payments to nonresident aliens and foreign estates.** Do not use this form. 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 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. The following examples will assist you in completing Step 2(b).

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

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

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

If Sam also has \$1,000 of interest income, they won't enter that amount on this form because they entered the \$1,000 on this form for the higher paying \$75,000 pension.

**Example 4.** Alex, a single filer, is completing this form for a pension that pays \$50,000 a year. Alex also has a job that pays \$25,000 a year and another pension that pays \$20,000 a year. Alex 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 Alex also has \$1,000 of interest income, which they entered on Form W-4, Step 4(a), they will instead enter

# Guide to Completing the Defined Benefit Disability Retirement Form

\$26,000 in Step 2(b)(i), leave Step 2(b)(ii) unchanged, and enter \$46,000 in Step 2(b)(iii). They 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** for which you are eligible 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 2025 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 5, 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 2025, 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.

## 7. Required signature(s)

Your signature acknowledges that you have read and agree to the terms of all elections. This voids all prior designations.

### Spousal consent

If you are married, an election of Option II (Section 2) is effective unless another form of payment is signed by the spouse. Your spouse must understand and agree with the retirement option you have elected, and the named beneficiary (if other than your spouse). Their signature is required prior to MERS issuing your first payment.

Requests for changes to direct deposit, federal tax withholding, or state tax withholding must be received by MERS by the 1st of the month you are requesting change to be effective.

## 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 mail completed form to:

**Municipal Employees'  
Retirement System of Michigan**  
1134 Municipal Way  
Lansing, MI 48917  
Fax: 517.703.9706

## Deductions Worksheet

(see Section 6 – Federal Income Tax Withholding – Step 4(b))

- 1** Enter an estimate of your 2025 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: 

[	• \$30,000 if you're married filing jointly or qualifying widow(er)	]	..... ►	\$ _____
	• \$22,500 if you're head of household			
	• \$15,000 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:
- \$2,000 if you're single or head of household
  - \$1,600 if you're married filing separately
  - \$1,600 if you're a qualifying widow(er) or you're married and one of you is under age 65
  - \$3,200 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 ► \$ \_\_\_\_\_