

**Utah Retirement Systems**

PO Box 1590

Salt Lake City, UT 84110-1590

801-366-7720 | 800-688-4015

**www.urs.org** **Submit Online:** [www.urs.org/us/messagecenter](http://www.urs.org/us/messagecenter)

# 401(k) Hardship Withdrawal Request

- Instructions:**
1. Use this form to request an in-service hardship withdrawal from your URS 401(k) Plan.
  2. Review all pages of this form before completing.
  3. To be approved, you must provide supporting documentation for all areas checked in Section B and meet all of the requirements listed in Section C of this form.
  4. For elective federal income tax withholding from your withdrawal, complete and return IRS *Form W-4R* with this withdrawal request.
  5. **Sign in the presence of a Notary Public** (A notary is **not required** if you have an **available hardship balance\*** (see page 5) of \$5,000 or less).
  6. Updates to your address or bank account (ACH) information will delay your payment for an additional 14 days.
  7. Original form is required unless sending through the myURS Message Center.

**SECTION A » MEMBER INFORMATION**

Name (First, Middle, Last)

Social Security # or Account #

**SECTION B » HARSHIP WITHDRAWAL REQUEST**

**Please note: To be considered for approval, you must provide supporting documentation for all areas checked. See page 4 for additional information on supporting documentation.**

**Indicate the reason for distribution and the amount of your request:**

(Review page 4 and page 5 before completing.)

- |   |               |          |
|---|---------------|----------|
| <input type="checkbox"/> 1. Medical expenses not paid by insurance.         | Amount needed | \$ _____ |
| <input type="checkbox"/> 2. Payment of tuition and related fees.            | Amount needed | \$ _____ |
| <input type="checkbox"/> 3. Purchase of a principal residence.              | Amount needed | \$ _____ |
| <input type="checkbox"/> 4. Eviction or foreclosure of principal residence. | Amount needed | \$ _____ |
| <input type="checkbox"/> 5. Payment for funeral or burial expenses.         | Amount needed | \$ _____ |
| <input type="checkbox"/> 6. Expenses for federally declared disaster.       | Amount needed | \$ _____ |

**Additional amount requested to cover taxes and penalties due to this withdrawal:**

(See page 4 and page 5 and consult a tax advisor for additional information about taxes.)

Amount needed \$ \_\_\_\_\_

**Total hardship withdrawal requested:**

**Total** \$ \_\_\_\_\_

**SECTION C » HARSHIP WITHDRAWAL CERTIFICATION**

**Initial all that apply below:**

1. \_\_\_\_\_ I certify the hardship cannot be relieved by reimbursement or compensation by insurance or other means.
2. \_\_\_\_\_ I certify the hardship cannot be relieved through liquidation of assets (if the liquidation itself would not cause a severe financial hardship).
3. \_\_\_\_\_ I certify the hardship cannot be alleviated by canceling contributions to the plan (except where cancelling contributions would result in the loss of employer matching contributions).
4. \_\_\_\_\_ I certify the hardship cannot be relieved by other distributions or by borrowing from commercial sources.
5. \_\_\_\_\_ I certify the amount requested does not exceed the amount required to satisfy the hardship plus taxes as indicated in Section B.

## SECTION D » PAYMENT INSTRUCTIONS

Payment Method (select only one; if a selection is not made, a check will be mailed):

☐ Check

☐ ACH to Your Bank Account

☐ ACH Using a New Financial Institution – If you select this option you must include a *Savings Plan Direct Deposit for One-Time Payments (DCEFT-1)* form.

☐ ACH Using an Existing Financial Institution on File with URS - Enter last 4 digits of bank account number for verification:

\_\_\_\_\_.

**Please note:** An update to your address or bank account (ACH) information will delay your payment for an additional 14 days. To update your address of record log in at myURS at [www.urs.org](http://www.urs.org) or fill out a *Change in URS Records (MECF-1)* form.

ACH to your bank account requires an additional 1-2 business days from the payment date for funds to post to your account.

## SECTION E » FEDERAL INCOME TAX WITHHOLDING INSTRUCTIONS

**Important: Please read below for default federal income tax withholding rules.**

☐ Check here if you are including IRS Form W-4R for federal income tax withholding from your withdrawal request.

### Default Withholding for Hardship Withdrawals

For hardship withdrawals, there is a default federal income tax withholding of 10% from your payment. You may request no withholding or a different percentage to be withheld for federal income tax by completing and returning IRS Form W-4R with this withdrawal request.

## SECTION F » STATE OF UTAH INCOME TAX WITHHOLDING

Choose one of the following options for State of Utah income tax withholding (select only one):

1. ☐ Check here if you **do not** want State of Utah income tax withheld from your payment.
2. ☐ Check here if you want to withhold at the effective State of Utah income tax rate (currently **4.5%**).<sup>\*\*</sup>
3. ☐ Enter the percentage \_\_\_\_\_% you want withheld for State of Utah income tax.

**Important Note:** If you leave this section blank, no State of Utah income tax will be withheld. If you check more than one box in this section, no State of Utah income tax will be withheld.

<sup>\*\*</sup>The effective State of Utah income tax rate is subject to change. If you would like a fixed percentage withheld for State of Utah income tax, complete line 3 above.

If you select line 2 above, State of Utah income tax will be withheld at the effective tax rate as of the date your payment is set up. For periodic withdrawals, the rate used for the initial payment will continue unless a new payment is requested or a new *Request for State of Utah Income Tax Withholding for URS Savings Plans* is submitted to URS.

## SECTION G » SIGNATURE AND NOTARIZATION

By signing below, I:

- Certify that this request is being made pursuant to the 401(k) Plan Document and the instructions and information contained herein;
- Acknowledge that I have read and understand the requirements provided on this Hardship Withdrawal Application;
- Certify, under penalties of perjury, that the information provided on this form is accurate and complete and any attached forms/documentation are valid and complete and have not been altered or manipulated in any manner;
- Understand any false or misleading information submitted on this form or any attached form may subject me to personal liability, and URS may exercise its rights against me if damaged by false or misleading information submitted by me;
- Certify that I am not a party to a divorce proceeding and am not subject to an injunction/order which prevents me from transferring or disposing of property, including funds in a 401(k);

- Understand that I am voluntarily requesting a hardship withdrawal and attest that the withdrawal is necessary to satisfy an immediate and heavy financial need;
- Understand each hardship withdrawal request requires new documentation;
- Understand documentation may not be used for more than one hardship withdrawal;
- Authorize representatives of URS to verify any and all of the information submitted and may request additional documentation from me;
- Understand that I am liable for any income tax and/or penalties assessed by the Internal Revenue Service and/or state tax authorities for the request I have made;
- Certify that I have exhausted all other means available and meet the Plan and IRS requirements to be eligible for a hardship withdrawal.

<b>Print Your Name Here</b>	<b>Primary Phone Number</b>
<b>Signature</b>	<b>Date</b>

State of \_\_\_\_\_, County of \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, in the year 20\_\_\_\_,  
the above named individual personally appeared before me and proved on the  
basis of satisfactory evidence to be the person whose name is subscribed to  
this instrument and acknowledged that they executed the same.

Notary Signature \_\_\_\_\_ My commission expires \_\_\_\_\_

# HARDSHIP WITHDRAWAL REQUIREMENTS

Please review the following information before completing a hardship withdrawal request.

1. Hardship withdrawals will be taken pro rata from employee contributions only. Employer contributions and earnings cannot be used for a hardship withdrawal.
2. A hardship withdrawal is allowed only if you have an immediate and heavy financial need and it can only be made after all other reasonably available resources have been exhausted. Other resources shall include:
  - Savings and checking accounts, and
  - Assets of your spouse and minor children that are reasonably available.
3. You must certify that the need cannot be relieved:
  - Through reimbursement or payment by insurance or other means;
  - By reasonable liquidation of assets if the liquidation itself would not cause an immediate and heavy financial need;
  - By canceling contributions under the Plan (except where canceling contributions would result in the loss of matching employer contributions);
  - By other distributions or by loans from plans not administered by URS, or by borrowing from commercial sources on reasonable terms, unless loan payments would cause a heavy financial need.
4. The 401(k) Plan and IRS regulations provide for hardship withdrawals if they are made on account of an immediate and heavy financial need for the following reasons:
  - Medical expenses of participant, their spouse, dependents, or primary beneficiary that are not covered by insurance;
  - Payment of tuition related educational fees and room and board expenses for the next 12 months of post-secondary education for the participant, their spouse, children, dependents, or primary beneficiary;
  - Costs directly related to the purchase of a principal residence (excluding mortgage payments or refinancing);
  - Payment necessary to prevent eviction from the principal residence, or foreclosure on the mortgage on that residence;
  - Payments for funeral or burial expenses for the participant's deceased parent, spouse, child, dependent or primary beneficiary; or
  - Expenses for a federally declared disaster. Expenses to repair damage to the participant's principal residence that would qualify for a casualty loss deduction under Section 165 of the Internal Revenue Code (determined without regard to whether the loss exceeds 10% of adjusted gross income).
5. The distribution requested cannot exceed the amount needed to meet the immediate and heavy financial need. The amount needed may include amounts necessary to pay federal and state income taxes or penalties resulting from this distribution. URS may request documentation for additional amounts over 40% requested to cover taxes and penalties.
6. If your hardship withdrawal is approved:
  - Taxable portions of a hardship distribution are treated as income and are subject to federal and state taxes. The funds may also be subject to an additional 10% tax on early distributions;
  - There is a default federal income tax withholding of 10% from your payment. You may request no withholding or a different percentage to be withheld for federal income tax by completing and returning IRS *Form W-4R* with this withdrawal request;
  - Hardship withdrawals are not eligible for rollover.

## SUPPORTING DOCUMENTATION

Hardship withdrawals must be adequately documented by sending in supporting documentation (copies of bills and/or invoices) for your request. Documents more than 90 days old may not be accepted.

## MEDICAL DOCUMENTATION

Do not send in detailed medical records. For documentation purposes, please provide who incurred the medical expense, your relationship to the individual (if it is not you), and the amount of the medical expense that was not covered by insurance. Some examples of documentation you may provide are Explanation of Benefits from the health insurance carrier or copies of bills and/or invoices from the medical providers.

## FEDERAL TAX WITHHOLDING

For hardship withdrawals, there is a default federal income tax withholding of 10% from your payment. You may request no withholding or a different percentage to be withheld for federal income tax by completing and returning IRS *Form W-4R* with this withdrawal request.

## STATE OF UTAH TAX WITHHOLDING

State of Utah taxes are withheld based on information provided in *Section F* of this form or on the *Request for State of Utah Income Tax Withholding for URS Savings Plans (DCTX-2)*, regardless of the type of payment.

URS will only withhold state income tax for the state of Utah.

## **ADDITIONAL AMOUNT TO COVER TAXES AND PENALTIES**

You may request an additional amount needed to cover any taxes and penalties reasonably anticipated to result from this hardship withdrawal. Consult a tax advisor for questions regarding taxes and penalties. URS does not provide tax advice.

## **HOW TO SUBMIT THIS FORM**

You can submit this form by mail or online through the myURS Message Center at [www.urs.org](http://www.urs.org). Return information is located on the front of this form in the top left corner. Original form is required unless sending through the myURS Message Center. Please type or print clearly using black ink.

## **PROCESSING TIME**

Withdrawal requests received in good order may take approximately 10 working days to be processed.

An update to your address or bank account (ACH) information will delay your payment for an additional 14 days.

URS is not responsible for market fluctuations that may decrease your expected payout due to declining financial markets occurring during the processing period.

ACH to your bank account requires an additional 1-2 business days from the payment date for funds to post to your account.

## **\*AVAILABLE HARDSHIP BALANCE**

Your available hardship balance is the amount of employee contributions (not including earnings, employer contributions or nonvested funds) in your core funds and PCRA (if applicable) minus any outstanding URS 401(k) loans.



## General Instructions (*continued*)

**Nonperiodic payments—10% withholding.** Your payer must withhold at a default 10% rate from the taxable amount of nonperiodic payments **unless** you enter a different rate on line 2. Distributions from an IRA that are payable on demand are treated as nonperiodic payments. Note that the default rate of withholding may not be appropriate for your tax situation. You may choose to have no federal income tax withheld by entering “-0-” on line 2. See the specific instructions below for more information. Generally, you are not permitted to elect to have federal income tax withheld at a rate of less than 10% (including “-0-”) on any payments to be delivered outside the United States and its territories.

**Note:** If you don’t give Form W-4R to your payer, you don’t provide an SSN, or the IRS notifies the payer that you gave an incorrect SSN, then the payer must withhold 10% of the payment for federal income tax and can’t honor requests to have a lower (or no) amount withheld. Generally, for payments that began before 2025, your current withholding election (or your default rate) remains in effect unless you submit a Form W-4R.

**Eligible rollover distributions—20% withholding.** Distributions you receive from qualified retirement plans (for example, 401(k) plans and section 457(b) plans maintained by a governmental employer) or tax-sheltered annuities that are eligible to be rolled over to an IRA or qualified plan are subject to a 20% default rate of withholding on the taxable amount of the distribution. You can’t choose withholding at a rate of less than 20% (including “-0-”). Note that the default rate of withholding may be too low for your tax situation. You may choose to enter a rate higher than 20% on line 2. Don’t give Form W-4R to your payer unless you want more than 20% withheld.

Note that the following payments are **not** eligible rollover distributions for purposes of these withholding rules:

- Qualifying “hardship” distributions;
- Distributions required by federal law, such as required minimum distributions;
- Distributions from a pension-linked emergency savings account;
- Eligible distributions to a domestic abuse victim;
- Qualified disaster recovery distributions;
- Qualified birth or adoption distributions; and
- Emergency personal expense distributions.

See Pub. 505 for details. See also *Nonperiodic payments—10% withholding* above.

**Payments to nonresident aliens and foreign estates.** Do not use Form W-4R. 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, enter “-0-” on line 2. See Pub. 3920, Tax Relief for Victims of Terrorist Attacks, for more details.

## Specific Instructions

### Line 1b

For an estate, enter the estate’s employer identification number (EIN) in the area reserved for “Social security number.”

### Line 2

**More withholding.** If you want more than the default rate withheld from your payment, you may enter a higher rate on line 2.

**Less withholding (nonperiodic payments only).** If permitted, you may enter a lower rate on line 2 (including “-0-”) if you want less than the 10% default rate withheld from your payment. If you have already paid, or plan to pay, your tax on this payment through other withholding or estimated tax payments, you may want to enter “-0-”.

**Suggestion for determining withholding.** Consider using the Marginal Rate Tables on page 1 to help you select the appropriate withholding rate for this payment or distribution. The tables are most accurate if the appropriate amount of tax on all other sources of income, deductions, and credits has been paid through other withholding or estimated tax payments. If the appropriate amount of tax on those sources of income has not been paid through other withholding or estimated tax payments, you can pay that tax through withholding on this payment by entering a rate that is greater than the rate in the Marginal Rate Tables.

The marginal tax rate is the rate of tax on each additional dollar of income you receive above a particular amount of income. You can use the table for your filing status as a guide to find a rate of withholding for amounts above the total income level in the table.

To determine the appropriate rate of withholding from the table, do the following. Step 1: Find the rate that corresponds with your total income not including the payment. Step 2: Add your total income and the taxable amount of the payment and find the corresponding rate.

If these two rates are the same, enter that rate on line 2. (See *Example 1* below.)

If the two rates differ, multiply (a) the amount in the lower rate bracket by the rate for that bracket, and (b) the amount in the higher rate bracket by the rate for that bracket. Add these two numbers; this is the expected tax for this payment. To get the rate to have withheld, divide this amount by the taxable amount of the payment. Round up to the next whole number and enter that rate on line 2. (See *Example 2* below.)

If you prefer a simpler approach (but one that may lead to overwithholding), find the rate that corresponds to your total income including the payment and enter that rate on line 2.

**Examples.** Assume the following facts for *Examples 1* and *2*. Your filing status is single. You expect the taxable amount of your payment to be \$20,000. Appropriate amounts have been withheld for all other sources of income and any deductions or credits.

**Example 1.** You expect your total income to be \$65,000 without the payment. Step 1: Because your total income without the payment, \$65,000, is greater than \$63,475 but less than \$118,350, the corresponding rate is 22%. Step 2: Because your total income with the payment, \$85,000, is greater than \$63,475 but less than \$118,350, the corresponding rate is 22%. Because these two rates are the same, enter “22” on line 2.

**Example 2.** You expect your total income to be \$61,000 without the payment. Step 1: Because your total income without the payment, \$61,000, is greater than \$26,925 but less than \$63,475, the corresponding rate is 12%. Step 2: Because your total income with the payment, \$81,000, is

greater than \$63,475 but less than \$118,350, the corresponding rate is 22%. The two rates differ. \$2,475 of the \$20,000 payment is in the lower bracket (\$63,475 less your total income of \$61,000 without the payment), and \$17,525 is in the higher bracket (\$20,000 less the \$2,475 that is in the lower bracket). Multiply \$2,475 by 12% to get \$297. Multiply \$17,525 by 22% to get \$3,856. The sum of these two amounts is \$4,153. This is the estimated tax on your payment. This amount corresponds to 21% of the \$20,000 payment (\$4,153 divided by \$20,000). Enter "21" on line 2.

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**Privacy Act and Paperwork Reduction Act Notice.** We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to provide this information only if you want to (a) request additional federal income tax withholding from your nonperiodic payment(s) or eligible rollover distribution(s); (b) choose not to have federal income tax withheld from your nonperiodic payment(s), when permitted; or (c) change a previous Form W-4R (or a previous Form W-4P that you completed with respect to your nonperiodic payments or eligible rollover distributions). To do any of the aforementioned, you are required by sections 3405(e) and 6109 and their regulations to provide the information requested on this form. Failure to provide this information may result in inaccurate withholding on your payment(s).

Failure to provide a properly completed form will result in your payment(s) being subject to the default rate; providing fraudulent information may subject you to penalties.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. commonwealths and territories for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The average time and expenses required to complete and file this form will vary depending on individual circumstances. For estimated averages, see the instructions for your income tax return.

If you have suggestions for making this form simpler, we would be happy to hear from you. See the instructions for your income tax return.



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# Federal Tax Withholding Plan Selection for Form W-4R for URS Savings Plans

- Instructions:
1. Use this form to identify a URS Savings Plan (401(k), 457(b), Roth IRA, Traditional IRA) for your federal *Form W-4R* tax withholding.
  2. Type or print clearly using black ink.
  3. Return this form with your completed *Form W-4R*.

**SECTION A » MEMBER INFORMATION**

Name (First, Middle, Last)	Social Security # or Account #
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**SECTION B » PLAN SELECTION** A separate form is required for each plan.

Indicate which plan this withholding election is for (select only one):

☐ 401(k)☐ 457(b)☐ Traditional IRA☐ Roth IRA*Note: This form will not change tax withholding on your URS pension benefit.***SECTION C » MEMBER AUTHORIZATION**

By signing below, I:

- Understand URS has not provided legal or tax advice and I should consult with my own legal counsel or tax advisor regarding the withholding election provided on this form and any accompanying forms;
- Understand I am responsible for any income tax and/or penalties assessed by tax authorities for the withholding election I have made;
- Certify that the information provided on this form and the accompanying Form W-4R is true, correct, and complete to the best of my knowledge.

Signature	Date
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## Savings Plans Direct Deposit for One-Time Payments

- INSTRUCTIONS:
1. Use this form for a direct deposit of one-time payments from your URS Savings Plans (401(k), 457(b), IRAs).
  2. Attach a voided check in Section B if you have not submitted a request before or if you are submitting a new bank account.
  3. An update to your address or bank account (ACH) information will delay your payment for an additional 14 days.
  4. Original form is required unless sending through the myURS Message Center.
  5. If the direct deposit is rejected for any reason, the payment will be mailed to your address of record.

**SECTION A » MEMBER INFORMATION**

Name (First, Middle, Last)	Social Security # or Account #
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**SECTION B » DIRECT DEPOSIT INFORMATION**

Type of Request:

- ☐ New Bank Account Information - If you have never requested a *Savings Plans Direct Deposit For One-Time Payments* or if you are submitting a new bank account, you must attach a voided check or official bank documentation below.\*
- ☐ Existing Bank Account Information - Use this option if you have previously requested a *Savings Plans Direct Deposit For One-Time Payments*. Please verify your account by completing the bank account information below.
- ☐ Use Existing Defined Benefit (Pension) Bank Account - Use this option if you are a retired member and would like your savings plan payment sent to the same bank account as your monthly defined benefit (pension) payment.

Bank or Credit Union Name (If you are submitting new bank account information, a voided check or official bank documentation\* must accompany this form.)

Bank Account Number

Bank Routing Number

Bank Account Type: ☐ Checking (tape voided check below\*) ☐ Savings (tape pre-printed deposit slip below\*)

\*Official bank documentation showing the name of the bank account owner, the bank routing number, and the full bank account number will be accepted.

John Doe  
123 Street  
City, State 12345

Date: \_\_\_\_\_ 101

Pay to the order of \_\_\_\_\_ \$

Tape your voided check here.  
(Use a pre-printed deposit slip for savings accounts.)

\_\_\_\_\_ Dollars

For: \_\_\_\_\_

VOID

I: 123040000 I: 001 1234567 I:  
Routing # Account #

**SECTION C » MEMBER AUTHORIZATION**

By signing below, I:

- Authorize and request URS to initiate and make credit entries to the bank or credit union account named in Section B without responsibility for correctness;
- Authorize and request the bank listed above to accept any credit entries by URS to such account and to credit the same to such account;
- Certify that the information provided on this form and on any attached forms is true, correct, and complete to the best of my knowledge;
- Authorize representatives of URS to verify any or all of the information submitted;
- Acknowledge and agree that any false or misleading information submitted on this form or any attached form may subject me to personal liability, and URS may exercise its rights against me if damaged by false or misleading information submitted by me.

Signature	Date
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