



FINANCIAL SERVICES  
FOR THE GREATER GOOD®

# NORTH CAROLINA STATE INCOME TAX Withholding Election Instructions



## IMPORTANT INFORMATION

PLEASE **READ BEFORE** FILLING OUT FORM

**QUESTIONS?** For account information, to check the status of your request or any other questions, **call: 800 842-2252**, Monday - Friday, 8 AM - 10 PM ET, Saturday, 9 AM - 6 PM ET, OR visit **tiaa-cref.org 24 hours daily**. Have your user ID and password ready.

If you are a **legal resident of North Carolina**, the state requires you to complete an Income Tax Withholding Election Form for all distributions that you receive from TIAA-CREF. If you do not return the withholding form, the state tax default rate will apply.

**Payments that are directly rolled over to an IRA or another retirement plan are not subject to state income tax withholding. Therefore, if your payments are being rolled over, no further action is required.**

For cash payments ONLY, please keep in mind:

1. There may be penalties for not paying enough state income tax during the year, either through withholding or estimated tax payments.
2. State tax withholding rates are subject to change.
3. If you do not make a state election and your payments are less than \$10,560 annually or \$880 per month, there will be no state withholding.

## NORTH CAROLINA WITHHOLDING RULES

**Rollover Eligible Payments** are payments that can be directly rolled over to an IRA or a similar retirement plan. These include certain types of Single Sum cash withdrawals and the following periodic payments: Interest Payments, Annuity Certain Options paid over a period of less than 10 years, and Transfer Payout Annuities issued after October 31, 2001. For cash payments, the following tax withholding rules apply:

1. You can elect a fixed percentage equal to or greater than 4% of the taxable amount of the payment.
2. You can elect a flat dollar amount equal to or greater than 4% of the taxable amount of the payment.
3. For periodic payments only, you can elect withholding based on withholding allowances and additional exemptions.
4. If you do not make a state election, state withholding will be withheld at the default rate of 4% of the taxable amount of the payment.
5. You **CANNOT** select the option "Do not withhold."
6. You **CAN** select the option "I am EXEMPT from state tax withholding as a result of the Bailey / Emory / Patton Settlement."

**Non-Rollover Eligible Payments** are payments that cannot be directly rolled over to an IRA or a similar retirement plan. These include Minimum Distribution Options, certain types of Single Sum cash withdrawals and the following periodic payments: all life annuities, Annuity Certain Options paid over a period of 10 years or more, and Transfer Payout Annuities issued before November 1, 2001. For cash payments, the following tax withholding rules apply:

1. You can elect a fixed percentage of the taxable amount of the payment.
2. You can elect a flat dollar amount.
3. For periodic payments only, you can elect withholding based on withholding allowances and additional exemptions.
4. If you do not make a state election, state withholding will default:
  - a. 4% of the taxable amount of the payment for single sum payments.
  - b. Married with three allowances for periodic payments.
5. You **CAN** select the option "Do not withhold."
6. You **CAN** select the option "I am EXEMPT from state tax withholding as a result of the Bailey / Emory / Patton Settlement."





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# NORTH CAROLINA STATE INCOME TAX Withholding Election Form

## STEP ONE

### PERSONAL INFORMATION

Please print in all capital letters using black or dark blue ink.

This form may only be completed for one plan and one contract. If you have multiple plans and/or multiple contracts, you must complete multiple withholding forms.

Name \_\_\_\_\_  
*first middle initial last*

TIAA #  

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CREF #  

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**NOTE:** Please indicate the contract number to which your tax election will apply. **DO NOT USE DASHES.**

### TIAA-CREF CONTRACT

### PLAN INFORMATION

The Plan and Sub Plan numbers should have been provided to you. **If you don't have them, please contact us at 800 842-2252.**

Plan Name \_\_\_\_\_

Plan #  

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Sub Plan #  

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## STEP TWO WITHHOLDING ELECTION

(Applies to periodic payments only)

Marital Status:  Single  Married  Head of household

Total Number of Withholding Allowances: \_\_\_\_\_

Withhold the following **ADDITIONAL** amount from each payment \$ \_\_\_\_\_

I want the following dollar amount withheld from each payment: \$ \_\_\_\_\_

**OR**

I want the following percentage withheld from the taxable portion of each payment: \_\_\_\_\_%

I am EXEMPT from state tax withholding as a result of the Bailey / Emory / Patton Settlement.

Do not withhold. (*you cannot elect this option if the distribution is rollover eligible.*)

## STEP THREE

### YOUR SIGNATURE



Your Signature \_\_\_\_\_

Today's Date \_\_\_\_\_  
*mm/dd/yyyy*

The form will become effective with your next available payment. You may revoke this election at any time by filing a new state income tax withholding election form with TIAA-CREF.

