Clear Form

IRA Distribution Form for Traditional, Roth, and SIMPLE IRAs

FARM BUREAU BANK

Farm Bureau Bank
P.O.Box 33427
San Antonio, TX 78265-3427
Email: services@farmbureaubank.com

IRA Owner Information

A copy of the accountholder's Driver's License is required to fulfill this request.

NAME, ADDRESS, CITY, STATE AND ZIP	IRA ACCOUNT (PLAN) NUMBER	TYPE OF IRA (SELECT ONE)
	 SSN/TIN	☐ Traditional IRA ☐ Roth IRA ☐ SIMPLE IRA

DATE OF BIRTH	DATE OF DEATH (IF APPLICABLE)	DAYTIME PHONE NUMBER

Tax Year of First Roth IRA Contribution/Conversion:

Distribution Reason

☐ Check this box if the distribution includes Hard to Value Assets

Select One. (Note: You are limited to one rollover per 1-year (12-month) period.**)**

For Traditional and SIMPLE IRAs Only

☐ Normal (age 59 1/2 or older)
☐ Early (younger than age 59 1/2), no known exception
☐ Early (younger than age 59 1/2), exception applies
☐ Death
☐ Disability
☐ Rollover Directly to an Employer Plan (EP)
☐ SIMPLE IRA Distribution During Two-Year Period (younger than age 59 1/2)
☐ EPCRS (for certain SEP and SIMPLE excess corrections)

For Roth IRAs Only

☐ Younger than age 59 1/2 and not disabled or deceased (J)
☐ Age 59 1/2 or Older, Disabled, or Deceased and Not Held 5 Years (T)
☐ Age 59 1/2 or Older, Disabled, or Deceased and Held 5 Years (Q)

For All IRA Types (Traditional, Roth, and SIMPLE IRAs)

☐ Transfer (including transfers due to death, divorce, or legal separation)
☐ IRS Levy
☐ Revocation
☐ Prohibited Transaction
☐ Recharacterization of Contribution for Tax Year
☐ Qualified Health Savings Account Funding Distribution (QHSAFD)
☐ Correction of Excess Contribution for Tax Year
Amount of excess $
Earnings attributable to excess (if applicable) $
- ☐ On or before my tax-filing due date, including extensions
  - ☐ In same calendar year the excess contribution was made
  - ☐ In calendar year after the year the excess contribution was made
- ☐ After my tax-filing due date, including extensions

Recipient Information (Complete for IRS Levy, Death, Transfer, Recharacterization, Rollover Directly to an EP, and QHSAFD transactions.)

NAME, ADDRESS, CITY, STATE AND ZIP	PLAN NUMBER (IF APPLICABLE)
	 DAYTIME PHONE NUMBER

BENEFICIARY SSN/TIN	BENEFICIARY DATE OF BIRTH	BENEFICIARY RELATIONSHIP TO IRA OWNER
		☐ Spouse ☐ NonSpouse ☐ Successor Beneficiary

Payment Instructions

NONPERIODIC PAYMENT ELECTION *(select one)*	PAYMENT METHOD *(select one)*	PAYMENT DETAIL *(completed by financial organization)*
I elect distributions to be paid in the following manner: ☐ **Immediate Distribution** of Amount Requested of $. ☐ **Scheduled Distribution.** I authorize automatic distributions of on a ☐ monthly ☐ quarterly ☐ annual ☐ other basis, starting on . Continue scheduled distributions until I notify you in writing otherwise. ☐ **Other** (including transfers)	☐ **Deposit into my account at this financial organization.** Account Type Account Number ☐ **Other**	Amount Requested $ Penalties Charged (-) Administrative Fees (-) **Subtotal** (amount may be subject to withholding) $ Federal Withholding (-) State Withholding (-) Local Withholding (-) **Net Amount Paid** $ Date of Distribution

Withholding Election

(Generally not applicable to Roth IRAs. See IRS Form W-8BEN if you are a foreign person.)

For your federal income tax withholding rate election, provide a Form W-4R to your IRA custodian/trustee. **If Form W-4R is not returned to the custodian/trustee, federal income taxes will be withheld from your distribution at the default 10% rate.**

For your state income tax withholding election, if allowed or as may be required under state law, complete the following information and return this form, and any other state withholding documentation that may also be required, to your IRA custodian/trustee.

☐ I elect to have $ or % State income tax withheld from my IRA distribution (according to state law).

☐ I elect no state income tax withholding (according to state law).

Signatures

I am the IRA owner, the beneficiary, or individual legally authorized to complete this form. I certify the accuracy of the information set forth in this form, and I authorize this transaction. I understand the custodian/trustee may require me to provide and/or complete additional documents before processing any distributions. I assume full responsibility for any consequences associated with my distribution including any taxes and penalties owed. I acknowledge that the custodian/trustee cannot provide, and has not provided, me with tax or legal advice. I have been advised to seek the guidance of a tax or legal professional.

Signature of IRA Owner/Beneficiary Date

Signature of Custodian/Trustee Date

Form **W-4R**

Department of the Treasury
Internal Revenue Service

Withholding Certificate for Nonperiodic Payments and Eligible Rollover Distributions

Give Form W-4R to the payer of your retirement payments.

OMB No. 1545-0074

2025

1a First name and middle initial	Last name	**1b Social security number**

Address

City or town, state, and ZIP code

Your withholding rate is determined by the type of payment you will receive.

- For nonperiodic payments, the default withholding rate is 10%. You can choose to have a different rate by entering a rate between 0% and 100% on line 2. Generally, you can't choose less than 10% for payments to be delivered outside the United States and its territories.
- For an eligible rollover distribution, the default withholding rate is 20%. You can choose a rate greater than 20% by entering the rate on line 2. You may not choose a rate less than 20%.

See page 2 for more information.

2 Complete this line if you would like a rate of withholding that is different from the default withholding rate. See the instructions on page 2 and the Marginal Rate Tables below for additional information. Enter the rate as a whole number (no decimals) . . . . **2** ________ %

Sign Here

Your signature (This form is not valid unless you sign it.) **Date**

General Instructions

Section references are to the Internal Revenue Code.

Future developments. For the latest information about any future developments related to Form W-4R, such as legislation enacted after it was published, go to *www.irs.gov/FormW4R*.

Purpose of form. Complete Form W-4R to have payers withhold the correct amount of federal income tax from your nonperiodic payment or eligible rollover distribution from an employer retirement plan, annuity (including a commercial annuity), or individual retirement arrangement (IRA). See page 2 for the rules and options that are available for each type of payment. Don't use Form W-4R for periodic payments (payments made in installments at regular intervals over a period of more than 1 year) from these plans or arrangements. Instead, use Form W-4P, Withholding Certificate for Periodic Pension or Annuity Payments. For more information on withholding, see Pub. 505, Tax Withholding and Estimated Tax.

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. Your withholding choice (or an election not to have withholding on a nonperiodic payment) will generally apply to any future payment from the same plan or IRA. Submit a new Form W-4R if you want to change your election.

2025 Marginal Rate Tables

You may use these tables to help you select the appropriate withholding rate for this payment or distribution. Add your income from all sources and use the column that matches your filing status to find the corresponding rate of withholding. See page 2 for more information on how to use this table.

Single or Married filing separately		**Married filing jointly or Qualifying surviving spouse**		**Head of household**	
Total income over—	**Tax rate for every dollar more**	*Total income over—*	**Tax rate for every dollar more**	*Total income over—*	**Tax rate for every dollar more**
$0	**0%**	$0	**0%**	$0	**0%**
15,000	**10%**	30,000	**10%**	22,500	**10%**
26,925	**12%**	53,850	**12%**	39,500	**12%**
63,475	**22%**	126,950	**22%**	87,350	**22%**
118,350	**24%**	236,700	**24%**	125,850	**24%**
212,300	**32%**	424,600	**32%**	219,800	**32%**
265,525	**35%**	531,050	**35%**	273,000	**35%**
641,350*	**37%**	781,600	**37%**	648,850	**37%**

* If married filing separately, use $390,800 instead for this 37% rate.

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.

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.

Additional Information

Purpose. The IRA Distribution Form for Traditional (including SEP), Roth, and SIMPLE IRAs is used to document and instruct us of your distribution related decisions.

Additional Documents. Applicable law or policies of the IRA custodian/trustee may require additional documentation. A separate distribution form must be completed for each distribution reason.

For Additional Guidance. It is in your best interest to seek the guidance of a tax or legal professional before completing this document. You should also reference the IRA agreement and disclosure statement and/or amendments provided by the custodian/trustee. For more information refer to IRS Form W-4R, *Withholding Certificate for Nonperiodic Payments and Eligible Rollover Distributions,* IRS Publication 590-B, *Distributions from Individual Retirement Arrangements* (IRAs), IRS Publication 505, *Tax Withholding and Estimated Tax,* or the IRS's website at www.irs.gov.

Terms. A general understanding of the following terms may be helpful in completing your transactions.

Death. This is a distribution taken by a beneficiary(ies) of a deceased IRA owner that is exempt from the early-distribution penalty tax.

Disability. A distribution for a disability can avoid the 10 percent early-distribution penalty tax if you are younger than age 59 1/2 and meet the definition of disability under Internal Revenue Code (IRC) Section 72(m)(7).

Early (younger than age 59 1/2), exception applies. The following types of distributions are automatically exempt from the 10 percent early-distribution penalty tax:

- Conversion to a Roth IRA
- Distributions based on an election to receive substantially equal periodic payments for the greater of a five-year period or until you attain age 59 1/2
- IRS Levy

Early (younger than age 59 1/2), no known exception. If you are younger than age 59 1/2, you may be subject to a 10 percent early-distribution penalty tax unless you properly roll over the assets within 60 days (or 120 days in the case of the return of a first-time homebuyer distribution), or unless you meet an exception. The exceptions are for distributions used to pay for:

- A Higher Education Expense
- A First-Time Home Purchase
- A Medical Expense
- A Health Insurance Premium
- A Qualified Reservist Distribution
- Substantially Equal Periodic Payments
- A Qualified Birth or Adoption
- A Certified Terminal Illness
- A Qualified Disaster Recovery Distribution
- Certain Emergency Expenses
- A Domestic Abuse Victim

Note: Distribution of earnings attributable to excess or unwanted contributions are not subject to the 10 percent early-distribution penalty tax.

Employer Plan (EP). Employer plans include qualified trusts under IRC Section 401(a), annuity plans under IRC Section 403(a), annuity contacts under IRC Section 403(b), and certain governmental IRC Section 457 plans.

EPCRS (Employee Plan Compliance Resolution System). Use this for distribution of excess contributions under SEP, SARSEP, or SIMPLE IRA plans that are corrected under the EPCRS program. Rev. Proc. 2021-30, as amended.

Excess Contribution. An excess contribution occurs when the contribution amount exceeds allowable limits or when an ineligible individual makes a contribution. Removing an excess contribution, plus attributable earnings, by your tax-filing due date, including extensions, avoids a 6 percent excise tax. For correction purposes, an IRA owner can treat an unwanted regular contribution as an excess.

Hard to Value Assets. IRA assets not having a readily available fair market value include: stocks, short or long-term debt obligations, ownership interests in limited liability companies (LLCs), partnerships, trusts, or similar entities not readily tradable on an established securities market, real estate, or option contracts or similar products not offered for trade on an established option exchange.

Normal (age 59 1/2 or older). If you are age 59 1/2 or older, you are not subject to a 10 percent early-distribution penalty tax.

One Rollover Per 1-Year (12-Month) Period. You are limited to one rollover per 1-year (12-month) period. You may only roll over one IRA distribution per 1-year period aggregated between all of your IRAs. For this purpose, IRA includes rollovers among traditional (including SEP), SIMPLE, and Roth IRAs. For example, if you have IRA 1, IRA 2, and IRA 3, and take a distribution from IRA 1 and roll it over into a new IRA 4, you will have to wait 1 year from the receipt date of that distribution to take another distribution from any of your IRAs and subsequently roll it over into an IRA. The 1-year limitation does not apply to rollovers related to first-time homebuyer distributions, distributions converted to a Roth IRA, repayments of certain distributions, and rollovers to or from an employer-sponsored eligible retirement plan.

Prohibited Transaction. Violations of IRC Section 4975 due to improper investment or use of this IRA's assets could result in this IRA becoming fully taxable and subject to penalty tax.

Qualified Health Savings Account Funding Distribution. This is a distribution from an IRA, not including an ongoing SEP or SIMPLE IRA, to the extent it is contributed directly to your health savings account. The election to make this distribution is irrevocable.

Recharacterization. A recharacterization is the method by which an IRA owner can redesignate from a traditional IRA to a Roth IRA, or vice versa, an IRA regular contribution made for the year. The deadline to recharacterize a contribution, plus earnings, is the IRA owner's tax-filing due date, including extensions. The IRS also requires you to provide a written notice of recharacterization.

Revocation. You may revoke your IRA on or before seven (7) days after the date of establishment. For traditional and SIMPLE IRAs only, if you revoke a regular contribution, the distribution is reported to the IRS as a correction of excess contribution in the same year. If you revoke a traditional or SIMPLE IRA rollover or transfer contribution, the distribution is reported to the IRS as a normal distribution if you are age 59 1/2 or older, or as an early distribution—no known exception, if you are younger than age 59 1/2.

Tax Year of First Roth IRA Contribution/Conversion. Distribution of earnings in a Roth IRA may be tax free and penalty free when withdrawn if five years have passed since the tax year of your first contribution/conversion.

Transfer. A transfer is the nonreportable movement of assets between IRAs of the same type.

Two-Year Period. SIMPLE IRA funds cannot be rolled or transferred to a traditional IRA or converted to a Roth IRA within a two-year period that begins on the date of the initial contribution to your SIMPLE IRA. SIMPLE IRA funds transferred or distributed during the two-year period may be subject to an additional 25 percent penalty tax.

Recipient Information. The Recipient Information section must be completed for a distribution due to IRS levy, a death distribution, a transfer to another IRA, a transfer to a former spouse's IRA due to divorce or legal separation, a transfer to a spouse's IRA due to death (if sole beneficiary), a recharacterization, a distribution rolled over directly to an employer plan, or a qualified health savings account funding distribution. Provide complete information regarding the individual or entity receiving the assets.

Required Minimum Distribution (RMD) Payment Election. If you instruct us to pay your RMD amount on a scheduled basis, the payment will be determined by the amount disclosed, if any, in your annual RMD notice.

Withholding of Federal Income Tax. Generally, federal income tax withholding applies to your taxable IRA distributions. The method and rate of withholding depends on (a) the type of distribution you receive, (b) whether the distribution is delivered outside the United States or its possessions, and (c) whether you (or your beneficiary after your death) are a nonresident alien individual, a nonresident alien beneficiary, or a foreign estate. Qualified distributions from a Roth IRA are nontaxable and, therefore, not subject to withholding. Because your tax situation may change from year to year, you may want to change your withholding election each year. You can change the amount to be withheld from a nonperiodic payment by using IRS Form W-4R.

Nonperiodic Payments— 10% Withholding. Distributions from an IRA that are payable on demand are treated as nonperiodic payments. Periodic pension or annuity payments are not nonperiodic distributions. Periodic payments are not payable on demand. Your IRA custodian/trustee must withhold at a default 10% rate from your taxable IRA distributions unless you choose a different rate or choose not to have federal income tax withheld. You can choose not to have income tax withheld from a nonperiodic payment by using IRS Form W-4R, by indicating "0%" on line 2, and providing your correct tax identification number (TIN). Generally, your choice to have income tax withheld or not will apply to any later distribution from your IRA.

Caution. *If you do not provide your correct TIN, your IRA custodian/trustee cannot honor your request to have a lower (or no) income tax amount withheld and must withhold 10% of the payment for federal income tax.*

Choosing Not to Have Income Tax Withheld in the Event of Your Death. In the event of death, your beneficiary or estate can choose not to have income tax withheld from your payments by using Form W-4R. For an estate, the election to have no income tax withheld may be made by the executor or personal representative of the decedent. The executor/representative must provide the estate's TIN/employer identification number (EIN).

Caution. *There are penalties for not paying enough federal income tax during the year, either through withholding or estimated tax payments. New retirees, especially, should see IRS Publication 505,* Tax Withholding and Estimated Tax. *It explains the estimated tax requirements and describes penalties in detail. You may be able to avoid quarterly estimated tax payments by having enough tax withheld from your IRA using Form W-4R.*

Changing Your Withholding Choice. Your withholding choice (or an election not to have withholding) on a nonperiodic payment, including an election for payments that began before 2022, will generally apply to any future payment from the same IRA. Provide a new Form W-4R to your IRA custodian/trustee if you want to change your withholding.

Payments to Foreign Persons and Payments Outside the United States. Unless you are a nonresident alien, generally withholding (in the manner described above) is required on any nonperiodic payments that are delivered to you outside the United States or its possessions and you cannot waive having federal income tax withheld or choose a withholding rate of less than 10% on Form W-4R. See IRS Publication 505, *Tax Withholding and Estimated Tax,* for additional details.

Nonresident aliens, nonresident alien beneficiaries, and foreign estates cannot use Form W-4R on the taxable portion of a nonperiodic payment that is from U.S. sources. See IRS Publication 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities,* and IRS Publication 519, *U.S. Tax Guide for Aliens,* for details.

Federal Withholding. In general, the federal withholding rules do not apply to Roth IRA distributions. An exception to the general rule applies to excess contributions returned to you by the tax-filing due date. The federal withholding rules apply to the taxable earnings portion of such a distribution unless the taxable amount is less than $200.

State Withholding. Your state may allow or require state income tax withholding on any taxable distribution.

Local Withholding. Your local governing authority may allow or require local income tax withholding on any taxable distribution.