



State Income Tax Withholding Information for Individual Retirement Accounts

This general information is provided to help you understand state income tax withholding requirements for Individual Retirement Account distributions. While Schwab makes every effort to obtain information about state tax laws from reliable sources, Schwab cannot guarantee the accuracy or timeliness of state tax withholding information because state tax laws are subject to constant change and interpretation. Please make sure to properly estimate your withholding rate based on your tax status. You will be responsible for any under-withholding when you file your tax return. We recommend that you contact your tax advisor regarding your tax withholding elections or making estimated tax payments, and to answer any questions that you may have regarding your state's withholding laws.

If your state of residency is:	Your withholding options are:
IA, KS, MA, ME, NE, VT	If you have federal income tax withheld, Schwab is required to withhold state income tax. If you do not have federal income tax withheld, you may optionally elect to have state income tax withheld. You may provide a percentage amount equal to or greater than your state's withholding requirements; otherwise Schwab will automatically apply your state's applicable withholding requirements.
AR, CA, CT ¹ , DE, MI ² , MN ³ , NC, OK, OR	If you have federal income tax withheld, Schwab is required to withhold state income tax unless you specifically elect not to have state income tax withheld. You may provide a percentage amount equal to or greater than your state's withholding requirements; otherwise Schwab will automatically apply your state's applicable withholding requirements.
AL, CO, DC ¹ , GA, ID, IL, IN, KY, LA, MD, MO, MS ⁴ , MT, ND, NJ, NM, NY, OH, PA, RI, SC, UT, VA, WI, WV	State income tax withholding is voluntary regardless of whether or not you have federal income tax withheld. Schwab will withhold state income tax only if you instruct us to do so.
AK, AZ, FL, HI, NH, NV, SD, TN, TX, WA, WY	State income tax withholding is not available. Schwab will not withhold state income tax even if you elect to withhold state income tax.

If your state of residency is:	Your tax rate is:
AR, VT	3%
CA	1%
CT ¹	6.99%
DC ¹	10.75%
DE, IA, KS, MA, ME, MS ⁴ , NE	5%
MI ²	4.25%
MN ³	6.25%
NC	4%
OK	4.75%
OR	8%
AL, CO, GA, ID, IL, IN, KY, LA, MD, MO, MT, ND, NJ, NM, NY, OH, PA, RI, SC, UT, VA, WI, WV	There is no mandatory tax rate since these states are voluntary withholding states.
AK, AZ, FL, HI, NH, NV, SD, TN, TX, WA, WY	State income tax withholding is not available.

Schwab may be required to withhold state tax from your distribution based upon state tax law for your state of residency. Your state of residency is determined by the legal address of record on your account. In some cases, you may elect not to have withholding apply, or you may elect to increase the rate of withholding. In other cases, state tax withholding is not available. Please refer to the chart above.

¹ State income tax withholding is required on lump sum distributions, and opting out of state withholding is not allowed.

² You must submit the MI W-4P to Schwab if you wish to opt out of Michigan state income tax withholding. You can obtain a copy of the MI W-4P by visiting Schwab.com or Michigan.gov/taxes.

³ You must submit the W-4MNP to Schwab if you wish to opt out of the Minnesota state income tax withholding. You can obtain a copy of the W-4MNP by visiting www.revenue.state.mn.us/

⁴ MS income tax state withholding is required on early and excess distributions.

