

Tax on Lump-Sum Distributions

(Use This Form Only for Lump-Sum Distributions From
Qualified Retirement Plans)

▶ **Attach to Form 1040 or Form 1041.** ▶ **See separate instructions.**

Name of recipient of distribution

Identifying number

Part I Complete this part to see if you qualify to use Form 4972.

		Yes	No
1 Did you roll over any part of the distribution? If "Yes," do not complete the rest of this form	1		
2 Was the retirement plan participant born before 1936? If "No," do not complete the rest of this form	2		
3 Was this a lump-sum distribution from a qualified pension, profit-sharing, or stock bonus plan? (See Distributions That Qualify for the 20% Capital Gain Election or for 5- or 10-Year Averaging in the instructions.) If "No," do not complete the rest of this form	3		
4 Was the participant in the plan for at least 5 years before the year of the distribution?	4		
5 Was this distribution paid to you as a beneficiary of a plan participant who died?	5		
If you answered "No" to both questions 4 and 5, do not complete the rest of this form.			
6 Was the plan participant:			
a An employee who received the distribution because he or she quit, retired, was laid off, or was fired?	6a		
b Self-employed or an owner-employee who became permanently and totally disabled before the distribution?	6b		
c Age 59½ or older at the time of the distribution?	6c		
If you answered "No" to question 5 and all parts of question 6, do not complete the rest of this form.			
7 Did you use Form 4972 in a prior year for any distribution received after 1986 for the same plan participant, including yourself, for whom the 1993 distribution was made? If "Yes," do not complete the rest of this form	7		

If you qualify to use this form, you may choose to use Part II, Part III, or Part IV; or Part II and Part III; or Part II and Part IV.

Part II Complete this part to choose the 20% capital gain election. (See instructions.)

8 Capital gain part from box 3 of Form 1099-R. (See instructions.)	8		
9 Multiply line 8 by 20% (.20) and enter here. If you do not choose to use Part III or Part IV, also enter the amount on Form 1040, line 39, or Form 1041, Schedule G, line 1b.	9		

Part III Complete this part to choose the 5-year averaging method. (See instructions.)

10 Ordinary income from Form 1099-R, box 2a minus box 3. If you did not complete Part II, enter the taxable amount from box 2a of Form 1099-R. (See instructions.)	10		
11 Death benefit exclusion. (See instructions.)	11		
12 Total taxable amount—Subtract line 11 from line 10	12		
13 Current actuarial value of annuity, if applicable (from Form 1099-R, box 8)	13		
14 Adjusted total taxable amount—Add lines 12 and 13. If this amount is \$70,000 or more, skip lines 15 through 18, and enter this amount on line 19	14		
15 Multiply line 14 by 50% (.50), but do not enter more than \$10,000	15		
16 Subtract \$20,000 from line 14. If line 14 is \$20,000 or less, enter -0-	16		
17 Multiply line 16 by 20% (.20)	17		
18 Minimum distribution allowance—Subtract line 17 from line 15	18		
19 Subtract line 18 from line 14	19		
20 Federal estate tax attributable to lump-sum distribution. Do not deduct on Form 1040 or Form 1041 the amount attributable to the ordinary income entered on line 10. (See instructions.)	20		
21 Subtract line 20 from line 19	21		
22 Multiply line 21 by 20% (.20)	22		
23 Tax on amount on line 22. See the Tax Rate Schedule for the 5-Year Method in the instructions	23		
24 Multiply line 23 by five (5). If line 13 is blank, skip lines 25 through 30, and enter this amount on line 31	24		
25 Divide line 13 by line 14 and enter the result as a decimal. (See instructions.)	25	×	.
26 Multiply line 18 by the decimal amount on line 25	26		
27 Subtract line 26 from line 13	27		
28 Multiply line 27 by 20% (.20)	28		
29 Tax on amount on line 28. See the Tax Rate Schedule for the 5-Year Method in the instructions	29		
30 Multiply line 29 by five (5)	30		
31 Subtract line 30 from line 24. (Multiple recipients, see instructions.)	31		
32 Tax on lump-sum distribution—Add Part II, line 9, and Part III, line 31. Enter on Form 1040, line 39, or Form 1041, Schedule G, line 1b ▶	32		

Part IV Complete this part to choose the 10-year averaging method. (See instructions.)

33	Ordinary income part from Form 1099-R, box 2a minus box 3. If you did not complete Part II, enter the taxable amount from box 2a of Form 1099-R. (See instructions.)	33		
34	Death benefit exclusion. (See instructions.)	34		
35	Total taxable amount—Subtract line 34 from line 33	35		
36	Current actuarial value of annuity, if applicable (from Form 1099-R, box 8)	36		
37	Adjusted total taxable amount—Add lines 35 and 36. If this amount is \$70,000 or more, skip lines 38 through 41, and enter this amount on line 42	37		
38	Multiply line 37 by 50% (.50), but do not enter more than \$10,000	38		
39	Subtract \$20,000 from line 37. If line 37 is \$20,000 or less, enter -0-	39		
40	Multiply line 39 by 20% (.20)	40		
41	Minimum distribution allowance—Subtract line 40 from line 38	41		
42	Subtract line 41 from line 37	42		
43	Federal estate tax attributable to lump-sum distribution. Do not deduct on Form 1040 or Form 1041 the amount attributable to the ordinary income entered on line 33. (See instructions.)	43		
44	Subtract line 43 from line 42	44		
45	Multiply line 44 by 10% (.10)	45		
46	Tax on amount on line 45. See the Tax Rate Schedule for the 10-Year Method in the instructions	46		
47	Multiply line 46 by ten (10). If line 36 is blank, skip lines 48 through 53, and enter this amount on line 54	47		
48	Divide line 36 by line 37 and enter the result as a decimal. (See instructions.)	48	×	.
49	Multiply line 41 by the decimal amount on line 48	49		
50	Subtract line 49 from line 36	50		
51	Multiply line 50 by 10% (.10)	51		
52	Tax on amount on line 51. See the Tax Rate Schedule for the 10-Year Method in the instructions	52		
53	Multiply line 52 by ten (10)	53		
54	Subtract line 53 from line 47. (Multiple recipients, see instructions.)	54		
55	Tax on lump-sum distribution—Add Part II, line 9, and Part IV, line 54. Enter on Form 1040, line 39, or Form 1041, Schedule G, line 1b ▶	55		