

# 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. . . . .	<b>1</b>		
2 Was the retirement plan participant born before 1936 (and, if deceased, was the participant at least 50 years old at the date of death)? If "No," do not complete the rest of this form . . . . .	<b>2</b>		
3 Was this a lump-sum distribution from a qualified pension, profit-sharing, or stock bonus plan? (See <b>Distributions That Qualify for the 20% Capital Gain Election or for 5- or 10-Year Averaging</b> in the instructions.) . . . . . If "No," do not complete the rest of this form.	<b>3</b>		
4 Was the participant in the plan for at least 5 years before the year of the distribution? . . . . .	<b>4</b>		
5 Was this distribution paid to you as a beneficiary of a plan participant who died? . . . . . If you answered "No" to 4 <b>and</b> 5, do not complete the rest of this form.	<b>5</b>		
6 Was the plan participant:			
a An employee who received the distribution because he or she quit, retired, was laid off or fired? . . . . .	<b>6a</b>		
b Self-employed or an owner-employee who became permanently and totally disabled before the distribution? . . . . .	<b>6b</b>		
c Age 59½ or older at the time of the distribution? . . . . . If you answered "No" to question 5 and <b>all</b> parts of question 6, do not complete the rest of this form.	<b>6c</b>		
7 Did you use Form 4972 in a prior year for any distribution received after 1986 from a plan for the same plan participant, including you, for whom the 1991 distribution was made? If "Yes," do not complete the rest of this form . . . . .	<b>7</b>		

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.)

1 Capital gain part from Box 3 of Form 1099-R. (See instructions.) . . . . .	<b>1</b>		
2 Multiply line 1 by 20% (.20) and enter here. If you do not elect to use Part III or Part IV, also enter the amount on Form 1040, line 39, or Form 1041, Schedule G, line 1b . . . . .	<b>2</b>		

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

1 Ordinary income from Form 1099-R, Box 2a minus Box 3. If you did not make the Schedule D election or complete Part II, enter the taxable amount from Box 2a of Form 1099-R. (See instructions.) . . . . .	<b>1</b>		
2 Death benefit exclusion. (See instructions.) . . . . .	<b>2</b>		
3 Total taxable amount—Subtract line 2 from line 1 . . . . .	<b>3</b>		
4 Current actuarial value of annuity, if applicable (from Form 1099-R, Box 8).	<b>4</b>		
5 Adjusted total taxable amount—Add lines 3 and 4. If this amount is \$70,000 or more, skip lines 6 through 9, and enter this amount on line 10 . . . . .	<b>5</b>		
6 Multiply line 5 by 50% (.50), but <b>do not</b> enter more than \$10,000. . . . .	<b>6</b>		
7 Subtract \$20,000 from line 5. If line 5 is \$20,000 or less, enter -0- . . . . .	<b>7</b>		
8 Multiply line 7 by 20% (.20) . . . . .	<b>8</b>		
9 Minimum distribution allowance—Subtract line 8 from line 6 . . . . .	<b>9</b>		
10 Subtract line 9 from line 5 . . . . .	<b>10</b>		
11 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 1. (See instructions.) . . . . .	<b>11</b>		
12 Subtract line 11 from line 10 . . . . .	<b>12</b>		
13 Multiply line 12 by 20% (.20) . . . . .	<b>13</b>		
14 Tax on amount on line 13. See instructions for Tax Rate Schedule . . . . .	<b>14</b>		
15 Multiply line 14 by five (5). If no entry on line 4, skip lines 16 through 21. Enter the amount on line 22 . . . . .	<b>15</b>		
16 Divide line 4 by line 5 and enter the result as a decimal. (See instructions.) . . . . .	<b>16</b>		
17 Multiply line 9 by the decimal amount on line 16 . . . . .	<b>17</b>		
18 Subtract line 17 from line 4 . . . . .	<b>18</b>		
19 Multiply line 18 by 20% (.20) . . . . .	<b>19</b>		
20 Tax on amount on line 19. See instructions for Tax Rate Schedule . . . . .	<b>20</b>		
21 Multiply line 20 by five (5) . . . . .	<b>21</b>		
22 Subtract line 21 from line 15. (Multiple recipients, see instructions.) . . . . .	<b>22</b>		
23 Tax on lump-sum distribution—Add Part II, line 2, and Part III, line 22. Enter on Form 1040, line 39, or Form 1041, Schedule G, line 1b. . . . . ▶	<b>23</b>		

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

1	Ordinary income part from Form 1099-R, Box 2a minus Box 3. If you did not make the Schedule D election or complete Part II, enter the taxable amount from Box 2a of Form 1099-R. (See instructions.)	1		
2	Death benefit exclusion. (See instructions.)	2		
3	Total taxable amount—Subtract line 2 from line 1	3		
4	Current actuarial value of annuity, if applicable (from Form 1099-R, Box 8)	4		
5	Adjusted total taxable amount—Add lines 3 and 4. If this amount is \$70,000 or more, skip lines 6 through 9, and enter this amount on line 10	5		
6	Multiply line 5 by 50% (.50), but <b>do not</b> enter more than \$10,000	6		
7	Subtract \$20,000 from line 5. If line 5 is \$20,000 or less, enter -0-	7		
8	Multiply line 7 by 20% (.20)	8		
9	Minimum distribution allowance—Subtract line 8 from line 6	9		
10	Subtract line 9 from line 5	10		
11	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 1. (See instructions.)	11		
12	Subtract line 11 from line 10	12		
13	Multiply line 12 by 10% (.10)	13		
14	Tax on amount on line 13. See instructions for Tax Rate Schedule	14		
15	Multiply line 14 by ten (10). If no entry on line 4, skip lines 16 through 21. Enter this amount on line 22	15		
16	Divide line 4 by line 5 and enter the result as a decimal. (See instructions.)	16		
17	Multiply line 9 by the decimal amount on line 16	17		
18	Subtract line 17 from line 4	18		
19	Multiply line 18 by 10% (.10)	19		
20	Tax on amount on line 19. See instructions for Tax Rate Schedule	20		
21	Multiply line 20 by ten (10)	21		
22	Subtract line 21 from line 15. (Multiple recipients, see instructions.)	22		
23	Tax on lump-sum distribution—Add Part II, line 2, and Part IV, line 22. Enter on Form 1040, line 39, or Form 1041, Schedule G, line 1b	23		