



STATE FARM FUNDS WITHHOLDING ELECTION NOTICE

STATE FARM FUNDS INDIVIDUAL RETIREMENT ACCOUNTS (IRA)

Please print all information.

1 INSTRUCTIONS

This form is used to notify you of your right to elect not to have taxes withheld from distributions under the systematic withdrawal plan from your State Farm Mutual Funds IRA or to revoke your election to have taxes withheld, if one is in effect.

Any taxable distributions you receive from your IRA may be subject to federal income tax withholding, at a rate of at least 10%, and state income tax withholding, if applicable to your state of residence, **unless you elect for federal and state withholding not to apply**. If you elect not to have withholding apply or do not have enough tax withheld, you may be responsible for payment of estimated taxes, and there may be tax penalties if your withholding and estimated payments are not sufficient.

If federal income tax is withheld, state income tax of at least your state's minimum amount must be withheld in addition to federal income tax withholding at the time of your distribution. Your state of residence will determine your state income tax withholding requirements, if any. State income tax will only be withheld if you live in a state that requires us to withhold. You may wish to consult with your tax advisor or your state's taxing authority for more information.

You may establish, change, or revoke your withholding election at any time by completing this form. Please check the appropriate box(es) below, sign, date, and return this form at least 10 days before your next scheduled systematic withdrawal. **If you do not wish to change a prior election, do nothing.**

If you have any questions or need additional information before completing this form, please call **800-447-0740**.

NAME

INDIVIDUAL RETIREMENT ACCOUNT (IRA) NUMBER

SOCIAL SECURITY NUMBER

2 WITHHOLDING ELECTION FOR FUTURE ACCOUNT DISTRIBUTIONS UNDER SYSTEMATIC WITHDRAWAL PLAN

FEDERAL INCOME TAX WITHHOLDING

Choose **One**

- I do **not** want to have federal income tax withheld when distributions under the systematic withdrawal plan are made from my IRA. Some states require state withholding even if federal is not withheld.
- Withhold federal income tax at a rate of _____% (not less than 10%).

State Income Tax Withholding - If you have questions regarding state withholding, contact your tax advisor or your state's taxing authority. If federal tax is withheld, the minimum amount required by your state will be withheld unless you specify a higher amount below. Some states require state withholding even if federal is not withheld. (Note: Withholding is available if you live in a state that requires withholding, or in a state that has voluntary withholding and you elect to withhold.)

Choose **One** (Complete only if you elected to have federal income tax withheld.)

- Do **not** withhold state income tax. I understand this election will not apply in states that do not permit persons to elect out of withholding.
- Withhold my state's minimum requirement.
- Withhold this amount \$ _____. (We will withhold at least your state's minimum requirement).

PARTICIPANT SIGNATURE

DATE

Please make a copy of this form for your records and mail or fax the original to:

State Farm Funds
PO Box 4766
Chicago, IL 60680-4766
Fax 312-557-3093