

State Tax Withholding Rules for Insurance and Deferred Annuities

This table provides the state tax withholding requirements for distributions taken from insurance and deferred annuities while in the accumulation phase. For all tax-qualified contracts: Withholding is taken from the total amount distributed. For non-qualified annuities: Withholding is taken from the taxable amount distributed.

State Withholding Definitions

- **Optional:** State tax withholding is optional. You can elect to have state taxes withheld or elect no state tax withholding.
- **Form requirement:** State tax withholding is required unless a state-specific form is submitted to opt-out of withholding or elect a different withholding percentage. We will follow instructions provided on the state-specific form for state tax withholding.
- **Mandatory:** State tax withholding is required. Cannot opt-out of state tax withholding.

State of Residence	Default Rate	Mandatory Eligible Rollover Distribution Rate	State withholding rules
Alabama	5.00%	-	Optional
Alaska	NA	NA	State withholding not available
Arizona	NA	NA	State withholding not available
Arkansas	3.00%	5.00%	Mandatory if Eligible Rollover Distribution, otherwise optional
California	10% of Federal Withholding	-	Optional. If default state tax withholding is elected with no federal withholding, 1% will be withheld for state tax.
Colorado	4.63%	-	Optional
Connecticut	6.99%	-	Mandatory. Exception for partial surrenders (only) if Form CT-W4P is received and code E applies.
Delaware	5.00%	5.00%	Mandatory if Eligible Rollover Distribution, otherwise optional
District of Columbia	2.00%	-	Mandatory 8.95% for full distribution of a qualified contract, otherwise optional
Florida	NA	NA	State withholding not available
Georgia	2.00%	-	Optional
Hawaii	NA	NA	State withholding not available
Idaho	6.925%	-	Optional
Illinois	4.95%	-	Optional
Indiana	2.00%	-	Optional
Iowa	5.00%	-	Mandatory if federal withholding is elected otherwise optional.
Kansas	5.00%	5.00%	Mandatory if Eligible Rollover Distribution, otherwise optional
Kentucky	5.00%	-	Optional
Louisiana	2.00%	-	Optional
Maine	5.00%	5.00%	Mandatory if Eligible Rollover Distribution or if federal withholding is elected ² , otherwise optional
Maryland	2.00%	7.75%	Mandatory if Eligible Rollover Distribution, otherwise optional
Massachusetts	5.00%	-	Mandatory if federal withholding is elected, otherwise optional.
Michigan	4.25%	-	Form requirement. If no form is on file the default state tax percentage will apply.
Minnesota	6.25%	-	Optional
Mississippi	5.00%	-	Optional
Missouri	5.40%	-	Optional
Montana	2.00%	-	Optional
Nebraska	5.00%	-	Mandatory if federal withholding is elected, otherwise optional.
Nevada	NA	NA	State withholding not available
New Hampshire	NA	NA	State withholding not available
New Jersey	2.00%	-	Optional
New Mexico	2.00%	-	Optional
New York	2.00%	-	Optional
North Carolina	4.00%	-	Form requirement. If no form is on file the default state tax percentage will apply.
North Dakota	1.84%	-	Optional
Ohio	3.50%	-	Optional
Oklahoma	5.00%	-	Optional
Oregon	8%	-	Optional
Pennsylvania	3.07%	-	Optional
Rhode Island	5.99%	-	Optional
South Carolina	7.00%	-	Optional
South Dakota	NA	NA	State withholding not available
Tennessee	NA	NA	State withholding not available
Texas	NA	NA	State withholding not available
Utah	4.95%	-	Optional
Vermont	24% of Federal Withholding	24% of Federal Withholding	Mandatory if Eligible Rollover Distribution, otherwise optional. If default state tax withholding is elected with no federal withholding, 2.4% will be withheld for state tax.
Virginia	4.00%	4.00%	Mandatory if Eligible Rollover Distribution, otherwise optional
Washington	NA	NA	State withholding not available
West Virginia	2.00%	-	Optional
Wisconsin	2.00%	-	Optional
Wyoming	NA	NA	State withholding not available

Whether or not federal or state taxes are withheld from your distribution, you are responsible for the full payment of any state or local taxes, federal income tax, and any penalties that may apply. You may be responsible for estimated tax payments and could incur penalties if your estimated tax payments are not sufficient.

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