



## TAX REIMBURSEMENT ON PENSIONS SETTLEMENT

### SUBMISSION - CALENDAR YEAR 2017

### MEMORANDUM AND DECLARATION

MAIL TO: Deloitte Tax LLP  
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Name:

Retiree No:

Email:

Telephone:

In accordance with the policies and procedures established under the provisions of Staff Rule PE-338, Annex I, of the Inter-American Development Bank (the "Bank"), and Staff Rule No. 35 of the Inter-American Investment Corporation, I am enclosing full copies of my Federal and State tax returns with the required supporting schedules and forms, which I have filed or intend to file for Calendar Year (Fiscal Year) 2017.

I understand that:

- a) All enclosed copies of tax returns, schedules and forms are subject to use by the Bank and by Deloitte Tax LLP under contract to the Bank for the purposes of calculating the appropriate settlement amount for calendar year 2017;
- b) Deloitte will provide me with a letter explaining and accompanying the tax reimbursement pension settlement calculation;
- c) Deloitte will treat my tax returns, schedules, and forms in strict confidence and will use such tax returns, schedules, and forms only as necessary to calculate and verify my tax reimbursement;
- d) Deloitte will not be responsible (1) for the mathematical accuracy of my tax returns, (2) for my compliance with tax laws or regulations or, (3) for the content or preparation of my returns;
- e) Any penalties and interest that may be assessed by any taxing authorities with respect to the timeliness of my tax filings or the amount of my tax payments are my sole responsibility; and
- f) I will submit this form including the declaration on the following pages to Deloitte.



**DECLARATION**

I affirm that my estimated tax payments, if any, due for calendar year 2017 have been paid to the appropriate taxing authorities and that to the best of my knowledge I have calculated my taxes for calendar year 2017 using all exemptions and deductions to which I am entitled and under the most economical legal filing status to minimize my tax liability.

**A) Basic Data**

- a. Enter your actual filing status on your 2017 federal tax return

**Single** ☐ **Married Filing Jointly** ☐ **Married Filing Separately** ☐  
**Head of Household** ☐ **Qualifying Widow(er)** ☐

- b. If your filing status was Married Filing Jointly, you will need to complete section B below.

- c. If your filing status was Married Filing Separately, you will need to complete Section B below, submit your and your spouse's tax returns, and your tax reimbursement will be computed as if you and your spouse filed joint tax returns. However, in exceptional circumstances, the Division Chief, Compensation and Benefits, may determine that your tax reimbursement should be calculated based on a Married Filing Separately filing status if your circumstances meet specified criteria. Please refer to page 17 of the [Tax Reimbursement Handbook](#) for IDB Group Retirees for more information.

- d. Is your spouse also an IDB employee or retiree? Yes ☐ No ☐ N/A ☐

- e. Status changes:

Has your mailing address or email address changed since your 2016 settlement was prepared? Or, if you retired in 2017, has your address changed since retirement?

Yes ☐ No ☐

Have there been other changes in your circumstances that may affect your settlement calculation *e.g. employment, relocation, spouse status changes, etc.*?

Yes ☐ No ☐

Please specify relevant changes in the space below:


- f. Tax returns that you have filed for 2017

Have you filed the following returns and provided copies of these along with your completed Form 7R?

US Federal tax return Yes ☐ No ☐

US State tax return/s Yes ☐ No ☐ State/s \_\_\_\_\_

Foreign tax return/s Yes ☐ No ☐ Country \_\_\_\_\_

- g. Extensions requested

I have requested an extension of time to file my 2017 tax return: Yes ☐ No ☐

I have attached a copy of IRS form 4868 (check) ☐



**B) My Spouse's Income**

The purpose of the pension tax reimbursement settlement is to compensate for taxes arising on pension income received from the Bank. Retirees with a filing status of Married Filing Jointly must identify which income items (or portions thereof) reported on the tax return represent spousal income.

**IMPORTANT:** I understand that failure to accurately complete the table below will result in my settlement being prepared on the assumption that all **investment income was received equally by me and my spouse (i.e. 50/50)**. I also understand that errors in the table below may lead to issues with my tax reimbursement pension settlement calculation, possibly causing a delay in receipt of any amount due to me.

The portion of the entries on our joint 2017 tax return that represent the income of my spouse consisted of the following:

*Lines may not match, if you file an abbreviated Form 1040*

		Total Amount reported 1040	Spousal Portion
Income	line 7 Wages, salaries, tips, etc.	7	
	line 8a Taxable interest	8a	
	line 8b Tax exempt interest 8b _____		
	line 9a Ordinary Dividends	9a	
	line 9b Qualified Dividends 9b _____		
	line 10 Taxable refunds, credits, or offsets of state and local income taxes	10	
	line 11 Alimony received	11	
	line 12 Business income or (loss)	12	
	line 13 Capital gain or (loss)	13	
	line 14 Other gains or (losses)	14	
	line 15 IRA distributions	15b	
	line 16 Pensions and annuities	16b	
	line 17 Rental real estates, royalties, partnerships, S corporations, trusts, etc.	17	
	line 18 Farm income or (loss)	18	
	line 19 Unemployment compensation	19	
	line 20 Social security benefits	20b	
	line 21 Other Income	21	
	line 22 <b>This line should match Total Income</b>	22	
Adjusted Gross	<i>Per tax return, include items such as, Educator expenses, Self-employment tax deduction, Health Saving account or IRA deduction, Student Loan Interest deduction, Alimony (lines 23 through 35) :</i>		
	a). _____		
	b). _____		
	c). _____		
	d). _____		
	line 37 <b>Subtract adjustments from your Total Income*</b>		

All numbers below need to be reported as negative amounts in order for total to be accurate.

**\*the amount on this line should match your AGI reflect on your 1040 LINE 37**



**C) State Income Adjustments - Spousal Portion of Income**

If you did not file State returns or if state returns were not filed jointly with your spouse, leave this section blank and please move to D) below.

Any adjustments to the reported federal income that were made on a State return are on the lines below, which detail a summary of my spouse's portion of additions and subtractions.

	Amount Per State Return	Spousal Portion
<b>Additions</b>		
a). _____	a. _____	_____
b). _____	b. _____	_____
c). _____	c. _____	_____
d). _____	d. _____	_____
<b>Subtractions</b>		
a). _____	a. _____	_____
b). _____	b. _____	_____
c). _____	c. _____	_____
d). _____	d. _____	_____

**D) My Retirement Income from the IDB**

I confirm that the income I received and reported on my 2017 income tax returns from the IDB Staff Retirement Plan, including tax reimbursement, is:

- 1) 2017 Gross Retirement Benefits\* .....box.1
- 2) 2017 Taxable Retirement Benefits\* .....box.2a

**\*Per Form 1099-R received from IDB**

**E) Optional election to stop quarterly tax advances for this upcoming year**

☐ **DO NOT INITIAL IF YOU WISH TO CONTINUE RECEIVING QUARTERLY TAX ADVANCES.** By initialing this line, I ask that the Bank stop/discontinue all future tax advances. I understand I will advance all taxes arising from IDB pension income using personal funds. I understand that after the settlement calculation is prepared, I will receive the reimbursement amount that is calculated as due in relation to tax paid on my pension income in one installment, after August 31 of the year following the relevant tax year.

**F) Confirmation of complete data provision**

I understand that this form must be submitted along with full true copies of all pages of my 2017 federal and state tax return/s as filed with tax authorities by **July 6, 2018**, unless the due date for filing my 2017 returns has been extended beyond that date.

I also understand that I should submit copies of any amendments to my 2017 tax returns or copies of adjustments to the returns by the taxing authorities within 60 days after such filing or notification.

I certify that all entries on this form are true and correct.

I agree that either my handwritten signature or my typed name in the box below is valid as my signature.

Signature:

Date:

Note: If this form was completed digitally, please confirm all inputs are saved. Alternatively, you may PRINT to PDF to ensure all data inputs are included in your submission