

Retirement Plan information:

Qualified birth and adoption distributions



What is a qualified birth and adoption distribution?

A qualified birth and adoption distribution or QBAD, is a distribution option available in connection with the birth or adoption of a child.

The distribution must be taken within one-year of the date the child is born, or the date the legal adoption of an eligible adoptee¹ is finalized.

How much can I take?

You may take a one-time distribution up to \$5,000 for each child. It's important to note that this distribution amount is a separate limit for each parent.

Are there any taxes or fees associated with this distribution?

Any amount you withdraw will need to be included in your gross income for that year but will not be subject to the 10% excise tax on premature distributions.

You may also re contribute all or part of your distribution to this Plan as long as you are still employed or eligible to make rollover contributions.

How can I request a distribution?

A distribution form is required to complete this request. You can access the form by going to MYKPLAN > Loans & Withdrawals > Withdraw Funds While Employed > Download Form.



Prior to making a decision, read and review the Special Tax Notice by scanning the QR code from your camera or QR code reader. This notice reviews the tax information on the taxation of distributions and rollover options.



[Click here](#) to log into your account at MyADP.com

¹ An "eligible adoptee" is 1.) An individual who has not attained age 18 or is physically or mentally incapable of self-support, but excludes a child of the taxpayer's spouse; 2.) An individual is physically or mentally incapable of self-support if considered disabled as defined under the Internal Revenue Code: if he or she is unable to engage in any substantial gainful activity by reason of any medically determined physical or mental impairment that can be expected to result in death or to be of long-continued and indefinite duration.

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