

FEDERAL TAX WITHHOLDING FORM

One part of the "Tax Equity and Fiscal Responsibility Act of 1982" may affect your pension benefits. The law says that, starting in 1983, the Fund must withhold federal income tax from your monthly pension payment unless you tell us, **in writing**, that you do not want us to withhold the tax.

The law set up this pension withholding because government officials felt that people, who did not realize that they owed taxes on their pensions would have to pay penalties as well as the taxes at the end of the year, because they had not paid estimated taxes during the year. On the other hand, many pensioners do not, in fact, owe federal income taxes on their pensions. Whether you have to pay federal income tax depends on the total amount of your taxable income - **remember, for many people, Social Security benefits are exempt from any federal income tax.** If you are not likely to owe any tax, you may well want to instruct the Fund not to withhold anything from your pension. **This is an important individual financial decision on which you may want to consult a qualified tax advisor.**

Marginal federal income tax rates are now indexed to compensate for inflation and the Tax Reform Act of 1986. Wage-withholding tables based on those reduced tax rates have been issued. As of 2011 and basis of these tables, no tax is required to be withheld from monthly payments that are **below** \$1,600.00 a month, unless the retiree requests it, because that is the monthly withholding threshold for a "married-and-three" taxpayer.

The Pension Fund Office is only required by law to withhold Federal Tax from your Pension Check and not State Taxes.

You may have the Fund Office system calculate the amount to be withheld if your gross monthly benefit amount is \$540 or more if claiming Single or \$680 or more if claiming married

OR

Please consult a tax advisor and enter the total dollar amount you want to have withheld each month by the X (if specifying a dollar amount to be withheld) or you may elect to have a percentage withheld by writing the percent amount off to the side by the % sign.

You **can** change your decision on withholding at any time, by filing a new form with the Fund Office.

THANK YOU FOR YOUR COOPERATION.

Form W-4P Department of the Treasury Internal Revenue Service	Withholding Certificate for Pension or Annuity Payments	OMB No. 1545-0415 <div style="text-align: right; font-size: 1.2em;">2011</div>
Type or print your full name		Your Social Security Number - -
Home address (number and street or rural route)		Claim or identification number (if any) of your pension or annuity contract
City or town, state, and ZIP code		
Complete the following applicable lines:		
1. I elect not to have income tax withheld from my pension or annuity. (Do not complete lines 2 or 3) <input type="checkbox"/>		
2. I want my withholding from each periodic pension or annuity payment to be figured using the number or allowances and marital status shown. (You may also designate a dollar amount on line 3.) %		
Marital status: <input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Married, but withhold at higher Single rate		
3. I want the following additional amount withheld from each pension or annuity payment. Note: For periodic payments you can not enter an amount here without entering the number (including zero) of allowances on line 2. . . X \$ 		
Your signature - X		Date - X