

# NORTHERN CALIFORNIA PIPE TRADES TRUST FUNDS FOR UA LOCAL 342

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## **Notice Regarding Federal Income Tax Withholding From Monthly Retirement Benefits**

### **Monthly Retirement Benefits Exceeding the Minimum Amount Listed on Current Internal Revenue Service (“IRS”) Tax Withholding Tables**

If your monthly Retirement Benefit exceeds the minimum amount listed on the current Internal Revenue Service (“IRS”) Tax Withholding Tables, we are required under Federal Regulations to withhold Federal Income Tax from your Retirement Benefit.

**Important:** Once you have submitted a Federal Income Tax Withholding Election Form, we will continue to withhold taxes in accordance with your election and the current IRS Tax Withholding Tables that are in effect. The IRS Tax Withholding Tables may change at any time. Please visit [www.irs.gov](http://www.irs.gov) (Form W-4P) for the most current IRS Tax Withholding Table.

### **Monthly Retirement Benefits Under the Minimum Amount Listed on Current Internal Revenue Service (“IRS”) Tax Withholding Tables**

If your monthly Retirement Benefit is less than the minimum amount listed on the current IRS Tax Withholding Tables, we will not withhold any Federal Income Tax, unless you have elected to have tax withheld.

**Important:** Once you have submitted a Withholding Election Form, we will continue to withhold taxes in accordance with your election and the current IRS Tax Withholding Tables that are in effect. The IRS Tax Withholding Tables may change at any time. Please visit [www.irs.gov](http://www.irs.gov) for the most current IRS Tax Withholding Table.

### **Possible Effect of Insufficient Withholding**

Withholding is simply a method of paying taxes. It does not increase or decrease the total amount of your tax liability. If your total income is high enough to require you to pay income taxes, but you do not have enough tax withheld from your monthly Retirement Benefit payments, you may be responsible for payment of estimated tax. You may be subject to penalties under the estimated tax laws if your withholding and estimated tax payments are not sufficient during the year. See **IRS Publication 505**, Tax Withholding and Estimated Tax at [www.irs.gov](http://www.irs.gov) for an explanation of your estimated tax requirements and penalties.

### **How to Make a Withholding Election or Change Your Withholding Election**

To make your election, complete the back of this Form and return it to the Trust Fund Office. Remember, the Plan cannot refund any tax it withholds from you Retirement Benefit. Your withholding election will remain in effect until you file a new Federal Income Tax Withholding Election Form which automatically revokes your previous election. If you wish to change your election in the future, you can request a new Form from the Trust Fund Office, or obtain one from our website: [www.ncpttf.com](http://www.ncpttf.com). **CAUTION:** If you do not submit a Federal Income Tax Withholding Election Form, the Plan must withhold on period payments as if you are married claiming three (3) withholding allowances. Generally, this means that tax will be withheld if your pension or annuity is at least \$1,990 a month. If you submit an incorrect Social Security Number, the Plan must withhold as if you are single claiming zero (0) withholding allowances even if you checked the box to have no Federal Income Tax withheld.

Generally Forms received by the 20<sup>th</sup> of the month will be processed for the following month.

### **Reporting of Federal Income Tax Withheld**

We are required to report your total annual Retirement Benefit amount to the IRS. The taxes withheld from your monthly Retirement Benefit payments during the year will be reported on a Form 1099-R (Distributions from Pensions, Annuities, Retirement, or Profit-Sharing Plans) mailed to you in January of the following year.

### **Special Federal Tax Rules for Payments Delivered Outside the U.S.**

The IRS Code requires an automatic Federal Income Tax withholding as if you are married and claiming three (3) withholding allowances, if you are a U.S. citizen or resident alien living outside of the United States. You cannot waive Federal Income Tax withholding in this situation. However, if you are a U.S. citizen or resident alien, you can choose not to have tax withheld if you give a home address in the U.S. (not a P.O. Box). See IRS Publication 505 for more information.

### **Questions About Your Federal Income Tax Withholding**

If you have a question about how much you should withhold, please consult a tax advisor. The Trust Fund Office cannot provide any tax counseling.

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## Federal Income Tax Withholding Election Form

### Instructions

- Please first read the information on the other side of this Form.
- Complete, sign, and return this Form to make a Federal Tax Withholding Election. (Not valid without signature.)
- **IMPORTANT: This Form revokes any prior Federal Tax Withholding Election Form you previously submitted.**
- Under current law you cannot just designate a specific dollar amount to be withheld. However, you can designate an additional amount to be withheld on line 2 of Section B below.

### **SECTION 1: Payee Information**

Please complete the following:

Name \_\_\_\_\_ Last 4 digits of SSN xxx-xx-\_\_\_\_\_

Address \_\_\_\_\_  
Street or PO Box \_\_\_\_\_ City, State, Zip \_\_\_\_\_

Telephone # (\_\_\_\_\_) \_\_\_\_\_ Cell Phone # (\_\_\_\_\_) \_\_\_\_\_

Email Address \_\_\_\_\_

### **SECTION 2: Federal Tax Withholding Election**

**A. Please check only one box:**

- I do not want Federal Income Tax withheld from my monthly Retirement Benefit.** (Do not complete Subsection B. below.)
- I do want Federal Income Tax withheld from my monthly Retirement Benefit. This election will remain in effect until I revoke it in writing by completing a new Federal Income Election Form.** (Complete Subsection B. below).

**B. If you have chosen to have Federal Income Tax withheld, please complete line 1 below (you may also designate an additional dollar amount on line 2) and the amount withheld will be determined by the tables the IRS publishes:**

**1) According to the number of allowances and withholding status (single or married) you elect.**

- **Total number of allowances** (0-10) you are claiming \_\_\_\_\_
- **Marital Status:** \_\_\_ Single \_\_\_ Married \_\_\_ Married but withhold at higher Single rate.

**2) Optional:** Additional amount, if any, you want withheld.

- Withhold \$ \_\_\_\_\_ .00 from each payment.

➔ **Signature** \_\_\_\_\_ **Date** \_\_\_\_\_

Mail the completed and signed Form to:

NCPTTF  
Attention: Pension Department  
935 Detroit Avenue, Suite 242A  
Concord, CA 94518-2501