

## FEDERAL TAX WITHHOLDING FORM - MONTHLY PENSION PAYMENTS

**If you do not want any Federal Income Tax to be withheld, check the box in Section 1 of this form.** *It is important to note that there are penalties for not paying enough tax during the year, either through withholding or estimated tax payments. Contact the Internal Revenue Service for Publication 505 which explains your estimated tax requirements and describes penalties in detail. You may be able to avoid quarterly estimated tax payments by having enough tax withheld from your pension payments. If you have a large amount of income from other sources not subject to withholding (such as interest, dividends, or capital gains), you may wish to consider making estimated tax payments. Contact your tax advisor or the Internal Revenue Service for additional information.*

**If you want Federal Income Tax to be withheld, you must designate the marital status and the number of withholding allowances that you are claiming in Section 2 of this form.** Under current law, you cannot designate a specific dollar amount to be withheld. However, you can designate an *additional* amount to be withheld in Section 3 of this form. If you do not respond as to the number of exemptions, the law presumes you are married and claiming three withholding exemptions. Generally, this means that no tax will be withheld if the gross amount of your monthly pension benefit is less than \$2,240.00.

If you submit this form with an *incorrect* Social Security Number, the Pension Fund must withhold as if you are single and claiming zero withholding allowances.

If you are a U.S. citizen or resident alien receiving payments that are delivered outside the United States or its possessions, withholding is required. You cannot choose not to have Federal Income Tax withheld on line 1 of the form. Other recipients, such as nonresident aliens, who have payments delivered outside the United States or its possessions may choose not to have Federal Income Tax withheld only if an individual certifies that the individual is not (a) a U.S. citizen or resident alien (b) an individual to whom Section 877 applies (concerning expatriation to avoid tax). The certification must be made in a statement under penalties of perjury. A nonresident alien who chooses not to have income tax withheld under section 3405 is subject to withholding under section 1441 and should complete Form W-8BEN, Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding, if applicable.

The election that you make on this form stays in effect unless you revoke or change it at a later date. Each year the Pension Fund Office will notify you of your right to choose not to have Federal Income Tax withheld or to revoke/change your previous election. By January 31<sup>st</sup> of each year, the Pension Fund Office will furnish a statement to you on Form 1099-R showing the total gross amount of your pension payments and the total Federal Income Tax withheld during the year.

**You must check the option desired, sign the form (the form is not valid unless you sign it!!!) and return it to the Pension Fund Office.** If you have additional questions about how to complete this form, please contact your tax advisor OR the Internal Revenue Service at 1-800-829-1040. You may also visit the IRS Web Site at [www.irs.gov](http://www.irs.gov) for additional information.

## FEDERAL TAX WITHHOLDING FORM - MONTHLY PENSION PAYMENTS

<b>PRINT</b> your full name	Your Social Security Number
Home address (number and street or rural route)	
City, State, and ZIP code	
1	Check the box to the right if you do NOT want any Federal Income Tax withheld from your monthly pension payment. (Do NOT complete section 2 or section 3.)   ⇒⇒⇒⇒
2	<p>If you want Federal Income Tax withheld from your monthly pension payment: CIRCLE the Marital Status that you are claiming</p> <p style="text-align: center;">Single                      Married                      Married, but withhold at higher single rate</p>
	In the box to the right, indicate the <b><i>total number of allowances</i></b> that you are claiming for withholding from each monthly pension payment. (If you wish to do so, you may also designate an additional dollar amount on line 3.)   ⇒⇒⇒⇒
3	<p><b>Additional</b> amount, if any, you want withheld from each monthly pension payment. (Note that you cannot enter an amount here without entering the number (including zero) of allowances in Section 2.)   ⇒⇒⇒⇒</p>
	\$
Your Signature ⇒	
Date ⇒	

### RETURN COMPLETED FORM TO:

**Chicago Regional Council of Carpenters Pension Fund  
12 E. Erie Street – 8<sup>th</sup> Floor  
Chicago, IL 60611**

**Fax (312) 951-3986**

**This form must be received in the Pension Department by the 15<sup>th</sup> of the month to make a change for the following month.**