

**CARPENTER FUNDS ADMINISTRATIVE OFFICE
OF NORTHERN CALIFORNIA, INC.**

265 Hegenberger Road, Suite 100
Oakland, California 94621
(510) 633-0333 • (888) 547-2054
www.carpenterfunds.com



March 7, 2018

**RE: Carpenters Pension Trust Fund for Northern California
Carpenters Annuity Trust Fund for Northern California
Income Tax Withholding**

Dear Retiree/Beneficiary:

As a reminder, you may choose the number of withholding allowances used to determine how much Federal Income Tax is withheld from your retirement payments. You may also elect to have no withholding.

In 2018 the automatic Federal income tax withholding threshold for monthly benefits is \$1,990. If you wish to change your income tax deductions you must submit a new *Form W-4P Withholding Certificate for Pension or Annuity Payments*.

If your monthly Retirement Payments are less than \$1,990 per month in 2018

- We **will not** automatically withhold Federal taxes
- You may elect withholding if you like
- If you previously requested withholding, we will continue to withhold taxes

If your monthly Retirement Payments are greater than \$1,990 per month in 2018

We **will** automatically withhold Federal taxes assuming "Married, 3 exemptions" (IRS requirement). However, you may elect withholding based on the following:

- A different marital status, and/or
- A different number of exemptions, or
- No withholding at all
- If you previously requested withholding, we will continue to withhold taxes

Exception: If the Fund Office has no U.S. street address on record, a Retiree is subject to mandatory withholding at "Married, 3 exemptions" regardless of the Retiree's request for an alternative lower withholding rate.

If you are a California resident, we will automatically withhold state taxes if 10% of the amount of federal withholding is at least \$10. You may elect to withhold a different amount or no withholding at all for state personal income tax by completing a DE-4P form. If you elect to have state taxes withheld, you can change or cancel withholding instructions at any time.

To obtain a federal W-4P Withholding Form or California State DE-4P Form:

- Contact the Fund Office Benefit Services Department
Phone: (510) 633-0333 or Toll Free at (888) 547-2054
Email: benefitservices@carpenterfunds.com, or
Visit: www.carpenterfunds.com/par_downloads.html
- **Visit the Internal Revenue Service's website: www.irs.gov**
- **Visit the State of California website: www.edd.ca.gov**

If you request a change, it will be put into effect within 60 days after receipt of the form.

Withholding is one way for you to pay a portion of your income tax. If no tax, or not enough tax, is withheld from your benefits, you may have to pay estimated taxes during the year or a tax penalty at the end of the year. Of course, whether you have to pay state or federal income tax on your benefit payments depends on the total amount of your taxable income. Your decision on withholding is an important one, and you may wish to discuss it with a qualified tax adviser.

Sincerely,
Boards of Trustees

**CARPENTER FUNDS ADMINISTRATIVE OFFICE
OF NORTHERN CALIFORNIA, INC.**

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March 7, 2018

**RE: Carpenters Pension Trust Fund for Northern California
Carpenters Annuity Trust Fund for Northern California
Federal Income Tax Withholding**

Dear Retiree/Beneficiary:

The Internal Revenue Code requires **automatic** federal income tax withholding from retirement payments if you are a U.S. citizen or hold a valid green card and are living and receiving your benefits in a foreign country. According to our records, you may fit into that category and you **must** have federal income tax withheld from your checks.

Withholding will be determined assuming you are married and claiming three exemptions. If you have already elected a greater amount, we will continue to withhold according to your existing election unless you instruct us otherwise.

If you are not in fact, a U.S. citizen or a green card holder living in a foreign country, you should inform us of that in writing. That statement must be made under oath, before a government official. Different income tax rules apply to retirement payments paid to people living outside the United States who are not U.S. Citizens or for those living in a country with a treaty agreement with the United States.

Please contact the Fund Office if you have any questions.

Benefit Services Department
Email: benefitservices@carpenterfunds.com
Phone: (510) 633-0333 or Toll Free at (888) 547-2054

Internal Revenue Service's Website: www.irs.gov

Sincerely,
Boards of Trustees