

NORTHERN CALIFORNIA PIPE TRADES TRUST FUNDS FOR UA LOCAL 342

935 Detroit Avenue, Suite 242A, Concord, CA 94518-2501 • Phone 925/356-8921 • Fax 925/356-8938

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Notice Regarding California Personal Income Tax Withholding From Monthly Retirement Benefits Applies to California Residents Only

The following information only applies to you if you are a resident of the State of California. In addition to being taxed at the Federal level, your Retirement Benefit may also be taxed at the State level.

Monthly Retirement Benefits Exceeding the Minimum Amount Listed on Current State of California Tax Withholding Tables

If your monthly Retirement Benefit exceeds the minimum amount listed on the current State of California Tax Withholding Tables, we are required under State Regulations to withhold California Personal Income Tax from your Retirement Benefit.

Important: Once you have submitted a Withholding Election Form, we will continue to withhold taxes in accordance with your election and the current California State Tax Withholding Tables that are in effect. The California State Tax Withholding Tables may change at any time.

Monthly Retirement Benefits Under the Minimum Amount Listed on Current State of California Tax Withholding Tables

If your monthly Retirement Benefit is less than the minimum amount listed on current State of California Tax Withholding Tables, we will not withhold any California Personal 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 California State Tax Withholding Tables that are in effect. The California State Tax Withholding Tables may change at any time.

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.

How to Make a Withholding Election or Change Your Withholding Election

Complete the reverse side of this Form. As a reminder, the Plan cannot refund any tax it withholds from your Retirement Benefit. 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.

CAUTION: If you do not submit a California State Tax Withholding Election Form, the Plan must withhold on 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 \$3,220 a month.

Reporting of California Personal Income Tax Withheld

We are required to report your total annual Retirement Benefit amount to the California State Franchise Tax Board. 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), which will be mailed to you in January of the following year.

Payments to Non-California Residents

Federal law prohibits states from taxing retirement income received by non-resident individuals. Therefore, no California State Income Tax is to be withheld from pension recipients who reside outside of California.

Questions About Your California Personal Income Tax Withholding

If you have a question about how much you should withhold, please consult a tax advisor. You may also visit www.edd.ca.gov for the most current Tax Withholding Table. **The Trust Fund Office cannot provide you with any tax advice.**

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California State Tax Withholding Election Form

Instructions

- Please first read the information on the reverse side of this Form.
Complete, sign, and return this Form to make a California State Tax Withholding Election.
Generally, completed Forms received by the 15th of the month, will be processed for the following month.
IMPORTANT: This Form revokes any prior California State Tax Withholding Election Form previously submitted.

SECTION 1: Payee Information
Please complete the following:
Name Last 4 digits of SSN xxx-xx-
Address Street or PO Box City, State, Zip
Primary Phone # () Secondary Phone # ()
Email Address

SECTION 2: California Personal Income Tax Withholding Election
A. Please check only one box:
I do not want California Personal Income Tax withheld from my monthly Retirement Benefit. Do not complete Subsection B. below.
OR
I do want California Personal Income Tax withheld from my monthly Retirement Benefit. Complete Subsection B. below.
B. If you have elected to have California State Tax withheld, you can have it withheld one of three ways. Please check only one box:
According to the Marital Status and total number of allowances you elect and designate below. If this option is elected, the amount withheld will be determined by the tax tables published by the State of California.
Marital Status: Single or Married (two or more incomes) Married (one income) Head of Household
Total number of allowances (0-10) you are claiming
Optional: Additional amount, if any, you want withheld: Withhold \$ from each payment. Note: You cannot enter an amount here without selecting a filing status (Single or Married [with two or more incomes] or Married [one income]) and entering the number (including zero) of allowances on the line above.
OR
A designated amount withheld from each payment. If this option is elected, withholding will not be based on the California State Tax Withholding Tables.
Withhold \$ from each payment.
OR
Ten percent (10%) of the Federal Income Tax Withholding amount. If this option is elected, withholding will not be based on the California State Tax Withholding Tables.

Signature Date

Return the completed and signed Form to:

NCPTTF
935 Detroit Avenue, Suite 242A
Concord, CA 94518-2501

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